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14 January 1986

SOUTHEAST ASIA REPORT

CONTENTS

BURMA

- Burma Army, Karen Order of Battle; Thai Interest Noted
(LAK THAI, 21 Nov 85)..... 1

INDONESIA

- Dharsono Trial Adjourns After Defendant's Speech
(AFP, 10 Dec 85)..... 4

Briefs

- Transmigration Program Integration 5
Car Exports to PRC 5

LAOS

- Minister on British Withdrawal From UNESCO
(Bountiam Phitsamai; Vientiane Domestic Service,
18 Dec 85)..... 6

- Kaysone Phomvihan Speech at Youth Meeting
(Kaysone Phomvihan; Vientiane Domestic Service,
11 Dec 85)..... 9

- Armed Forces Urged To Fulfill 2 Dec Order of Day
(Editorial; Vientiane Domestic Service, 16 Dec 85)..... 16

- Vientiane Discusses Causes of Economic Problems
(Vientiane Domestic Service, 17 Dec 85)..... 18

Briefs

- PLO Representative Presents Credentials 20
SRV Hanoi Delegation 20
Hanoi's Assistance 20

Cooperation Memorandum With SRV	20
Delegation Returns From Bucharest	21
Souphanouvong Receives Albanian Delegation	21
Albanian Delegation Meet	21
Albanian Delegation Arrives	21
Delegation to India	21
International Students Delegation Departs	22
Hanoi Construction Service Delegation	22
Vientiane-Hanoi Cooperation	22
Talks Held With State Planning Group	22

PHILIPPINES

Former NPA Leader Urges Closer Government Link to People (Hernanie Pastolero; PEOPLE'S DAILY FORUM, 29 Nov 85).....	24
Trade Union Congress Denies Members Want To Secede (BUSINESS DAY, 24 Dec 85).....	25
January-November Corporate Investments Up 72.5 Percent (BUSINESS DAY, 26 Dec 85).....	26
Government Agency Seeks To Sell Equity in Bank (METRO MANILA TIMES, 24 Dec 85).....	27
Briefs	
MNLF 'Disinformation' Attempt	29
Mindanao Hydropower Plant	29

THAILAND

WIWAT Column Criticizes Political Torpor (WIWAT, 9-15 Dec 85).....	30
Crown Prince To Attend Army War College, Then to U.S. (DAO SIAM, 29 Nov 85).....	33
Special Warfare Appointment Engenders April Reshuffle Speculation (LAK THAI, 5 Dec 85).....	34
Foreign Ministry: No Progress on Malaysia Fishing Dispute (THAI RAT, 18 Nov 85).....	37
Demonstrators, Government Call for Soviets To Leave Afghanistan (AFP, 27 Dec 85).....	38
Armed Vietnamese Refugees Hijack Trawlers (THE NATION, 26 Dec 85).....	39
Court Curtails Chamoy Case Media Reporting (THAI RAT, 13 Nov 85).....	41

Columnist Wants Separation of Politics, Trade With East (DAILY NEWS, 20 Nov 85).....	42
Dr Sanoh, Others Discuss Economic Problems (DAILY NEWS, 17 Nov 85).....	44
Central Bank Gives Economic Forecast for 1986 (BANGKOK POST, 20 Dec 85).....	46
Bankruptcy Suit Filed Against Chit Fund Leader (THE NATION, 25 Dec 85).....	49
Editorial Backs Changes in Bank Law (Editorial; DAILY NEWS, 20 Nov 85).....	50
Prem Discusses Rice Price Support Scheme (Prem Tinsulanon; THAI RAT, 19 Nov 85).....	52
Natural Gas Exploitation Plans Discussed (DAILY NEWS, 18 Nov 85).....	54
Briefs	
Reagan Vetos Textile Bill	55
Talks on Trade Protocol	55
EEC, Tapioca Export Agreement	55
Policeman Injured in Clash	56
Prince, 3d Army Chief	56
Trade Talks Visit Ends	56

CAMBODIA

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK Reports Sihanouk Reception for Zhao Ziyang (Voice of Democratic Kampuchea, 19 Dec 85).....	57
Khieu Samphan's Condolences on Romulo's Death (Voice of the National Army of Democratic Kampuchea, 17 Dec 85).....	59
VODK: Sihanouk Condolences on Death of Romulo (Voice of Democratic Kampuchea, 20 Dec 85).....	60
Thai Daily Says KPNLF Spokesman Died on PRC Visit (THE NATION, 22 Dec 85).....	61
Cambodia's Sihanouk Arrives in Hong Kong for Visit (HONG KONG STANDARD, 23 Dec 85).....	62
VOK Commentary on Failure of SRV's Defense Plan (Voice of the Khmer, 19 Dec 85).....	63

VODK Commentary on Method of Attacking Vietnamese (Voice of Democratic Kampuchea, 20 Dec 85).....	65
Clandestine Radios Report Battlefield Activities (Voice of the National Army of Democratic Kampuchea, 6-20 Dec 85).....	68
Battle Reports for 6-19 Dec	68
SRV Position in Koh Kong Attacked	71
Sihanouk Comments on Attitude Toward Khmer Rouge (SOUTH CHINA MORNING POST, 26 Dec 85).....	72
Sihanoukist Army Spokesman on Reinforcement (THE NATION, 26 Dec 85).....	74
SRV Unit Reportedly Using Chemical Grenades (THE NATION, 15 Dec 85).....	75
VODK on Poverty Caused by SRV Aggression (Voice of Democratic Kampuchea, 19 Dec 85).....	76
Briefs	
China Continues Support	78
PEOPLE'S REPUBLIC OF KAMPUCHEA	
Hun Sen Receives British-Vietnam Association (SPK, 19 Dec 85).....	79
SPK Commentary Hails India's Support for PRK (Phnom Penh Domestic Service, 7 Dec 85).....	80
Nguon Nhel Leads Delegation to Hungarian Embassy (Phnom Penh Domestic Service, 20 Dec 85).....	81
Khim Pon Attends Closing of Defense Conference (Phnom Penh Domestic Service, 17 Dec 85).....	82
Men Sam-an Addresses Political-Theoretical Course (Phnom Penh Domestic Service, 11 Dec 85).....	83
Soviet Woman Lecturers Call on Chea Sim, Leave 23 December (SPK, 24 Dec 85).....	84
421 Misled Persons Return in Battambang Province (Phnom Penh Domestic Service, 19 Dec 85).....	86
Bou Thang Condolences Hungarian Defense Minister's Death (Phnom Penh Domestic Service, 19 Dec 85).....	87

SPK Reports Activities To Mark SRV Army Day (SPK, 24 Dec 85).....	88
--	----

Briefs

Lao National Day Marked	89
Soviet Group Visit PRK	89
Hungarian Minister's Death Announced	89
Military Activities in Memot District	90
KPRAF Activities Reported	90

VIETNAM

INTERNATIONAL RELATIONS, TRADE, AND AID

NHAN DAN Hails Results of CEMA Session (Editorial; Hanoi Domestic Service, 19 Dec 85).....	91
Increased Economic Cooperation Seen Between Ho Chi Minh City-Laos (NHAN DAN, 28 Oct 85).....	94

PARTY ACTIVITIES AND GOVERNMENT

Pham Hung Address at Household Conference (Pham Hung; NHAN DAN, 15 Nov 85).....	96
--	----

ECONOMIC PLANNING, TRADE, AND FINANCE

Newly-Issued Documents on Economic Policies Reviewed (GIAO DUC LY LUAN, Aug 85).....	102
Agricultural Mechanization on District Level Discussed (Mai Van Dinh; NHAN DAN, 28 Oct 85).....	110
Haiphong Enacts Special Tax on Private Merchants (NHAN DAN, 28 Oct 85).....	113

AGRICULTURE

NHAN DAN Editorial on Draft Power for Agriculture (Editorial; NHAN DAN, 28 Oct 85).....	115
10-Day Agricultural Production (Hanoi Domestic Service, 20 Dec 85).....	118
Vegetation Protection Department on Crop Pests (Hanoi Domestic Service, 21 Dec 85).....	120

BURMA

BURMA ARMY, KAREN ORDER OF BATTLE; THAI INTEREST NOTED

Bangkok LAK THAI in Thai 21 Nov 85 pp 18, 19

[Unattributed report: "Lt Col Ariwer, a Free Karen Leader With a Price of 2 Million on His Head"]

[Excerpts] Last week, there was a reshuffle in the Burmese army. Lt Gen So Mong, the deputy army chief of staff, was made the army chief of staff. This is the top spot in the Burmese army because the Burmese army does not have a commander in chief. "Chief of staff" is the top position. Gen Kyaw Htin, the chief of staff, will probably continue to serve as deputy prime minister and minister of defense, which are political positions. His military responsibilities will be turned over to Lt Gen So Mong. Brigadier Gen Tan Chawe, the commanding general of the southern region, has been appointed deputy army chief of staff in place of Lt Gen So Mong. Col Tin Kwe has been promoted to general and made the commanding general of the southern region. There have also been important changes in the air force. Group Cpt Tin Tun has been made the deputy air force chief of staff. In the navy, Cpt Mong Mong Kin has been made the deputy navy chief of staff. Just like the army, the Burmese air force and navy do not have a commander in chief. Chief of staff is the top position.

The first group that must be dealt with is the Free Karens, who want to establish their own country under the leadership of Gen Bo Mya. They have established a central government in the north opposite Mae Ramat District in Tak Province. The administration of the Karen zone, which they consider to be a separate country, has been divided into 14 provinces with a population of 6 million people. The fighting between the Burmese government forces and the Karens has entered its 3d year. The Karens are trying to confine the fighting to a small area in order to maintain control over a wide area as in the past. The Karens have begun using unconventional warfare, that is guerrilla warfare, relying on their greater familiarity with the area. They regularly cut the logistics routes of the Burmese government forces from Rangoon, Moulmein, Tavoy and Mergui.

Among the Karen warlords fighting the Burmese government forces, besides Gen Bo Mya, the supreme commander and president, other Karen warlords fighting the Burmese government forces whom the Burmese regard as important officers are Col To La, the commander of the northern zone, Lt Col Ariwer, the commander of

the 10th Battalion, and Lt Col Sao Tan Mong, the deputy commander of the 101st Special Forces Battalion, an independent battalion that is considered to be a very capable unit.

Last week, LAK THAI followed the news on the fighting between the Burmese government forces and the Free Karens opposite Kanchanaburi Province. Approximately 2 battalions of Burmese troops launched an attack at Phra Chedi Sam Ong about 5 months ago. There has been fighting between the Burmese government troops, the Karens and the Free Mons in that area. The fighting stopped only during the time of heavy rains, when it became difficult for the two sides to move their forces. When the rains stop, the fighting will start again. It is thought that the fighting in the south will be just as fierce as in the north. Brigadier Gen Tan Chawe, the former commander of the southern region who has just been appointed deputy army chief of staff, will probably want to show his skill in suppressing the enemy in the south, his old area of responsibility. And the new area commander will probably want to show his "skills," too.

"We have to keep an eye on the fighting in the west because this will definitely affect Thailand in the long term. Any change in Burma will have an effect on Thailand. We must keep an eye on things there. We can't be concerned just with the Vietnamese, Cambodians and Lao in the east. We should be more concerned about the situation there because the Communist Party of Thailand is moving into this area and beginning to carry on activities in this area instead of in the northeast and north," said a senior military officer about the situation here. "Our long-term strategy on this front is very important. It can be said to be the most important strategy because there are several things that must be done correctly. We can't afford to make a mistake. Phi Chiu (Gen Chawalit Yongchaiyut, the army chief of staff) is very interested. From the standpoint of military strategy, this is very important."

On our trip to the "west," LAK THAI was fortunate enough to meet with an important officer of the Free Karens who is known throughout the Karen area as a fierce fighter. The Burmese government has set a very high "price" on his head, almost 2 million baht. We are referring to Lt Col Ariwer, the commander of the 10th Battalion, whose area of responsibility is the Tavoy-Mergui area, an area that the Karens consider to be theirs and not the Burmans or Mons.

In the Tavoy-Mergui area, where the Karens have established a province within the Burmese province and which overlaps the Free Mon area, too, the "provincial governor," who is the top commander and who is the representative of the central government, is Col Mawoen. The deputy provincial governor is Lt Col Tin Le. The commander responsible for strategy and general security is Lt Col Ariwer.

LAK THAI talked with Lt Col Ariwer, the commander of the 10th Battalion, and Lt Col Tin Le, the deputy provincial governor. Col Mawoen was sick and so we did not have a chance to talk with him.

The commander of Karen forces in the south said that no foreign mercenaries are fighting for the Karens. Only Karens are fighting. He said that he does not know anything about the reports that mercenaries were fighting for the

Karens. His forces once moved north to help the Karen forces opposite Mae Sot and he never saw any foreign soldiers.

The Free Karens do not have any units larger than "battalion." Each battalion is an independent unit that is responsible for its area. Unlike most orders of battle, there are no regiments or divisions. This gives the battalions greater flexibility. When an operations problem arises, they solve the problem themselves. If the problem is beyond their capabilities, they coordinate matters with the provincial governor and contact their government and the top leader, that is, Gen Bo Mya.

Lt Col Ariwer does not think that the the constant Burmese operations aimed at preventing the Karens from establishing a strong fixed position represent a new strategy. This is also a matter of morale. Weapons alone cannot beat the Karens. The Karens have been fighting for more than 30 years. They know how to fight.

He admitted that the army has experienced shortages because of the permanent presence of the Burmese forces. Their presence has made it difficult to earn a living and engage in trade. But the Karens have not lost heart. They already face great adversity and do not worry about things becoming worse.

He said that the "Karen troops are very disciplined. We will not cause trouble for our Thai neighbors. We know that Thailand is in a very difficult position because the Burmese government is the legitimate government of the country." But he said that the "Karens are not bandits." The Karens respect Thailand. The land that they work is land that belongs to the Karens.

Lt Col Ariwer, a person whom the Burmese government feels is so important that it has set a price on his head, said that "we do not fear a fight. What we fear is not having a country."

11943

CSO: 4207/86

INDONESIA

DHARSONO TRIAL ADJOURNS AFTER DEFENDANT'S SPEECH

HK101114 Hong Kong AFP in English 1035 GMT 10 Dec 85

[Text] Jakarta, Dec 10 (AFP)--Efforts by the judge in the subversion trial of ex-General Hartono Rekso Dharsono to calm an impassioned speech by the defendant criticising the government led to a shouting match and adjournment of the hearing here today.

Mr Dharsono, 60, a former general secretary of the Association of Southeast Asian Nations, stated that he was innocent of the charges against him and launched into an emotional defence of a white paper he had signed.

The judge tried to get Mr Dharsono to tone down his speech, which drew loud applause and repeated cries of support from a crowd of some 300 outside the court, but the defendant, apparently thinking the judge was trying to stop him, refused to be silenced.

The judge ordered the defendant from the courtroom and temporarily suspended the hearing. It resumed from 45 minutes later, only to be adjourned after the judge accepted the defendant's apology, made through his defence lawyers.

Mr Dharsono faces six charges of subversion, including taking part in the writing of a white paper that the prosecution has alleged "was intended to undermine the authority of the lawful government."

He could face the death sentence if convicted.

The defendant spoke in defence of a paragraph in the white paper that says that government practices deviated from the national constitution and the state ideology. The prosecution has charged that the paragraph is subversive.

The trial, now in its fifth month, is to resume on Thursday.

/6662

CSO: 4200/394

INDONESIA

BRIEFS

TRANSMIGRATION PROGRAM INTEGRATION--The government's transmigration program which was initially aimed at population distribution has now been integrated into overall, increasing national development activities, according to an official. Minister of Transmigration Martono said that population transfer from Java to the other islands before the start of the five-year development plans (Pelita) in 1969 involved 99,196 migrant family heads. During the subsequent Pelitas the following figures have been recorded: Pelita I 46,268 KK, Pelita II 82,959 KK, Pelita III 527,876 KK, and Repelita IV up to November 27, 1985, 348,669. The target at the close of Repelita IV (1984-1989) is 750,000 family heads. Mr. Martono was speaking on television (TVRI) Monday night in view of the forthcoming commemoration of Transmigration Service Day, on December 12. According to the minister, the government's transmigration policy, started in 1950, was originally to effect population distribution throughout the country, however, at present this policy is already linked with multiplying efforts in national development. [Text] [Jakarta THE JAKARTA POST in English 4 Dec 85 p 2 BK] /6662

CAR EXPORTS TO PRC--Jakarta, Dec. 10 KYODO--Indonesia's automaker Pt. Udatimex said Tuesday it will begin exporting cars to China in January. The first shipment will be 100 units of the "Holden Raider" series. The car is equipped with diesel engines developed by Japan's Isuzu Motor Co., Udatimex said. Indonesia has never exported automobiles abroad before, officials said. [Text] [Tokyo KYODO in English 1035 GMT 10 Dec 85 OW] /6662

CSO: 4200/394

LAOS

MINISTER ON BRITISH WITHDRAWAL FROM UNESCO

BK200914 Vientiane Domestic Service in Lao 0530 GMT 18 Dec 85

["Views" by Bountiam Phitsamai, education minister and chairman of Lao national commission for UNESCO, on British withdrawal from UNESCO--read by announcer, date not given]

[Text] As we know, the U.S. Government was the first to attack the UNESCO organization. The attack began in 1982 when it was not satisfied with the organization's approval of the second long-term 6-year plan, the specific aim of which is to deal with a certain major world issue in the present--the issue of the struggle for arms reduction and the maintenance and promotion of peace in the world. The United States has not considered this a duty of the organization. However, the majority have regarded it as the organization's responsibility since its constitution stipulates that it has the duty of bringing peace to mankind and preventing a recurrence of a world war because such a war is a source of disasters and can cause enormous destruction to human cultural, scientific, and educational achievements. Work in these fields will be of no significance if peace is ignored. All achievements scored by the world's educated persons, researchers, and inventors with the support and assistance of UNESCO will be destroyed in only 1 hour if a nuclear war breaks out. In view of this issue, the United States unreasonably criticized UNESCO by saying that this organization was playing politics, an activity not regarded as one the organization should engage in. That was an unreasonable charge.

Checkmated by the reason of the majority, the United States then sought different means to threaten the organization. For example, it created news criticizing the management and disbursement system of the organization and attacking persons working for the organization to defame Mr Amadou Mahtar M'Bow, director general of the organization. Nevertheless, the United States failed to make the majority vote to agree to its propaganda. On the contrary, various socialist countries, developing countries, and peace-loving countries united in strongly opposing the attitude of the United States. As a result, the United States was shamefully isolated. That was why it announced its withdrawal from UNESCO in late 1983. But, according to the principles of UNESCO as well as of other UN organizations, the withdrawal from the organization became effective 1 year after an official withdrawal statement had been made.

During the 1-year period, the organization's executive committee sought every possible means to hold talks with the U.S. side to ask it to reconsider its intention to withdraw. But, the Reagan administration refused to change its mind and its withdrawal, therefore, became effective 1 January 1985. Since then, the Reagan administration has been denounced ever more strongly by many countries. As a result, it has been unprecedentedly isolated. The U.S. Government has also been criticized by the American people and hundreds of mass organizations in the United States itself. In particular, American scientists, sociologists, and artists have been extremely dissatisfied with the government's attitude.

To save face, the Reagan administration has asked to be an observator member of the organization. We believe that by making such a request, the Reagan administration intends to create disturbances and undermine the unity of the organization. It has maintained no good intentions. Its purpose is to persuade other countries to withdraw from the organization. But, to show the consistent good faith, good intentions, and good attitude of the organization, the organization's Executive Committee agreed to authorize the 23d congress in Sofia, Bulgaria, in October and November 1985 to discuss means to accept the United States as a member in any possible category of the organization. The congress, however, decided that the United States can absolutely not be accepted as observator member because it would violate the principle that observator members must be those who have not been accepted as permanent members and who are first joining the organization's activities to learn about the significance of the organization before applying for permanent membership. The U.S. case is the opposite because, in addition to having been a permanent member, it was even 1 of the 20 founding member countries. It has voluntarily withdrawn from the organization. The United States did not officially attend the 23d congress. It was merely allowed to send its observer to sit in a back row with no right to express any views in the congress. In the almost 2 months of the congress, it was the British delegation that openly defended U.S. interests.

Britain, striving to carry out activities to serve the United States, tried to threaten the organization with very subtle schemes. It tried to persuade and motivate its Commonwealth countries to follow it in voting. Nevertheless, 98 percent of the member countries of the organizations did not agree to accept the United States as an observator member. The congress then authorized the organization's Executive Committee to discuss in detail any possible way to accept U.S. cooperation under some category. The Executive Committee later came out with the idea that the United States may be accepted as a cooperating committee in certain projects or certain activities. In this case, the United States must give monetary assistance to the projects or activities it wants to join. However, the U.S. Government is not pleased with this idea.

Therefore, it is no surprise that the British Government withdrew from the organization in late 1985. This is because the United States incited the British Government to do so. Actually, Reagan wanted the British Government, with Margaret Thatcher as prime minister, to withdraw from this organization in early 1985. Serving Reagan's desire, the British Government has submitted a withdrawal statement. However, the withdrawal will be effective in 1 year.

unless the withdrawal is canceled. This means that at the end of 1985, Britain, like the United States, will no longer be a member of UNESCO.

By withdrawing from UNESCO, the British Government has only tried to please the United States. The United States pressured Britain for 1 full year before Britain decided to withdraw. Even if Britain does not again announce its withdrawal, everyone knows that Britain's membership will end 1 January 1986. The United States, however, wants Britain to repeat its withdrawal announcement. The U.S. purpose is to serve its propaganda to make the public misunderstand the organization.

Nevertheless, there is nothing unusual in the withdrawal of the British Government from UNESCO. Britain's withdrawal cannot undermine the unity in this organization. Our member countries have always called for the maintenance of international unity in the interest of world peace. The stand of our Lao national commission is to support UNESCO and Mr Amadou M'Bow, director general of the organization. At the same time, we will do our best to contribute to the organization's activities so as to achieve an ever better success.

/12712

CSO: 4206/38

KAYSONE PHOMVIHAN SPEECH AT YOUTH MEETING

BK171440 Vientiane Domestic Service in Lao 0530 GMT 11 Dec 85

[Speech by Kaysone Phomvihan, general secretary of LPRP Central Committee and chairman of LPDR Council of Ministers, at sixth plenary session of first Central Committee of Lao People's Revolutionary Youth Union in Vientiane on 9 December--read by announcer]

[Text] I am happy to meet comrade leaders of the Lao People's Revolutionary Youth Union. On behalf of the party Central Committee, I take this opportunity to express solidarity and warm love to comrades and, through you, to members of the youth union and the entire Lao youths. Briefly speaking on some outstanding aspects of the youth movements following the first congress of the youths, the youth movements have undergone many changes and made much progress reflected in various ways by the following:

1. The youth organization has been systematically consolidated from the central down to the grassroots levels; newly established provinces have promptly set up youth unions; many localities and branches have held conferences at their respective levels, thus ensuring the right direction for mobilizing and guiding the youths' movements.
2. The youths have taken part in enthusiastic and vigorous movements in carrying out the national defense and public security work in many localities. Many provinces have overfulfilled plans in encouraging the youths to volunteer to serve the military. They have better served combat, fighting well. The most outstanding point is that the youths have volunteered to counterattack the Thai reactionaries nibbling at Lao territory at three villages in Sayaboury Province, that they have participated in operations to suppress bandit groups in Xieng Khouang, Houa Phan, and Bokeo Provinces, and that they have positively taken part in maintaining public order and peace in the country. In particular, they have contributed to ensuring tranquility and safety for the recent national grand festival in Vientiane. For this they have been praised by foreign guests.

All this shows that our youths' level of vigilance and love for the country and the new system is high, that they have had a clearer attitude on distinguishing enemies from friends, and that the level of their perception of their obligations toward the country is higher.

3. In the sphere of national construction, the youths are serving as a vanguard force in many movements. In the agricultural sphere, new techniques have been applied to cultivation and animal husbandry. The outstanding thing is the movement to produce fertilizer for intensive farming, increase cultivation seasons, raise the efficiency of rice farming from 3 to 5 metric tons per hectare, and participate in building many irrigation projects. The youths also serve as the key in the movement of improving and building agricultural cooperatives and in testing and using new crop and animal strains.

In the industrial and handicraft spheres, the youths in the workers' ranks have promoted and developed their creation, modified technique, and raised the quality and efficiency of work. Particularly, in repairing machines, they no longer rely on foreign experts in some enterprises, such as the Nam Ngum dam. They have utilized iron scraps for producing equipment and tools, thus saving millions of kip for the state.

The youths in many localities have participated in handicraft cooperatives and promoted the production of artistic and handicraft items representing the country's tradition. They have also promoted the rich handicraft skills of the people of various nationalities.

Regarding the construction of basic establishments, the youths have served as the main force in repairing and building roads. In some areas they have been awarded contracts to build roads and have taken part in building many enterprises, the most outstanding of which were the projects constructed for the purpose of welcoming the country's two great historical days and the conferences of party committees of various localities.

4. In the educational, cultural, and social spheres, the youths have served as the main force in the movement to stamp out illiteracy and supplement education. Siangkho District in Houa Phan Province received a UNESCO award in this regard thanks to its success in general supplementary education. The youths have paid attention to launching emulation campaigns to create artistic and literary items, seriously taken part in the 3-clean sanitation movement, and positively served as models in building a new way of civilized and pure life, thus contributing to doing away with rotten culture, extravagance, and superstition.

Considerable efforts have been made to issue youth newspapers and journals to publicize the line and policies of the party and state and scientific and technical knowledge and to indicate direction for youths' activities.

5. More positive attention has been paid to the youth work. Many new, appropriate forms of education and training have been established. For example, questions have been made up for the youths to answer in order to arouse their curiosity about the party, the country, and the new system.

6. In terms of international activities, the youths have made important contributions to heightening the influence and role of our party, state, and people in the international arena; they have also taken part in the struggles of the world's youths and students for peace, friendship, and international

cooperation and against the arms race and the imperialists' warmongering policy. The most outstanding of all is their positive contribution to the success of the 12th world youth and student festival.

In short, our youth movements have grown and strengthened and have recorded many great and outstanding achievements. This further shows that under the leadership of the LPRP our Lao youths have the spirit of revolutionary enthusiasm and are capable of creating a great cause, thus deserving the trust of the party and all the people. For example, the youths of Nong Het District once helped to extinguish a fire at a coal mine with the use of limited equipment and in a spirit of creative, heroic offensive. The youths also took the initiative in preparing for and in taking part in the parade marking the 10th anniversary of the National Day.

On this occasion, on behalf of the party Central Committee and the government, I wholeheartedly hail the achievements, progress, and growth of our youth union and the Lao youths. Nevertheless, our youth movements still face some problems that must be resolved. These problems are:

A. The youth movements are, generally speaking, not yet consistent, extensive, thorough, and continuous. For example, sufficient attention has not yet been paid to youth movements in rural, remote, and tribal areas; and the organizational work is still only slowly developing. Today there remain many blank areas--30 percent of the villages throughout the country have not yet organized youth unions. In addition, more than one-third of the youths attached to youth organizations in some ministries and 15 percent of the members of the Lao People's Revolutionary Youth Union have not yet paid sufficient attention to the youth work. Appropriate organizational forms have not been established to rally and train the youths currently staying outside the youth organization.

B. The propaganda and training work of the youth ranks has not been carried out in width and depth, and constantly. The propaganda and training is not yet rich and multifarious. The training and building of cadres by the youth union are not linked with the revolutionary behavior in our country and the overall political task. The leading committees of the youths at various levels have not yet strictly implemented the principle of coordinating the system of chiefs with the group leadership. This is why they are unable to bring into full play the overall strength of their colleagues. Moreover, the characteristics of the struggle to live collectively have not been fully heightened.

C. The youth committees at various levels have not yet striven to obtain guidance from party committees and the assistance and cooperation of the administrative committees and branches of work concerned.

The youths' strategic role and tasks toward our revolutionary cause are:

1. To effectively carry out the youth work, we must first firmly grasp the special characteristics of the youths, reflected by the following two main aspects:

A. Their special [word indistinct] and psychological aspects: The youthful age is a period in which one grows rapidly and strongly with regard to one's physical strength, brain, and nervous system. For this reason, young people are enthusiastic, vigorous, and industrious and are active in sports, literary, and tourist activities. They do not like to sit quietly in one place. They are capable of quickly learning new information in great volume--scientific and technical. They like new things and new changes--both progressive and negative changes. They are curious and creative; they want to know about all objective phenomena; their imaginations run wild; they love and cherish heroic deeds and respect the people they regard as models. They need love and fraternity, they like to make friends with other youths, they enjoy active and collective activities, and they cherish equality and justice.

B. Their special social, class, and national characteristics.

Social relations strongly affect the youths' standpoint and ways of thinking. What kind of patriotism? Patriotism in socialist or capitalist ways? To follow collectivism or privatism? To sacrifice their strength and intelligence for the nation or to follow a selfish way of life or to seek happiness by exploiting other people? To regard labor as constructive and honorable or as punishment and despicable thing? Technical and specialized knowledge for gaining (?political power) or for serving the political tasks and the working people? To unite and maintain equality among the various tribes or nationalities or to discriminate against tribes and races.

The special characteristics constitute an outlook on life and on the world, which youth committees must attentively study and make it consistent with the principles and attitude of the working class.

2. Youths' Strategic Role

A. The youths have assumed a historical role--that is, they are the masters of the country's future and will be the successful builders of socialism and communism. The process of the revolutionary struggle in our country shows that the youths of the old generations were heroic, resolute, and persistent, agreed to sacrifice everything, and surmounted countless hardships prior to winning victories as seen today. After overthrowing the old, exploitative system and laying the foundation for the building of the new system, the youths of the offensive generation and of the next generations must safeguard the gains of the revolution and triumphantly build the new system. This shows that the youths must be an effective arm of the party, a reinforcement and reserved strength of the party, and a faithful continuator of the party's revolutionary cause.

B. That is why the youths have become the target of a protracted, uncompromising, and complicated struggle between the workers and capitalists and between the revolutionary forces and the reactionary forces. Because of such an advantage, if one is able to attract and control the youths, this means that one is able to control a great strength for realizing one's own objectives. Hitler controlled the Nazi youths to carry out his scheme of aggression; and Mao Zedong controlled the Red Guards youths to oppose the revolution.

(Staleness) noted: To oppose communism, we must control the third generation of people in socialist countries. At present, the imperialists and the big-nation expansionists and hegemonists have paid close attention to instigating youths to oppose the revolution. They have employed numerous methods in doing this.

The following are the basic methods they have frequently used: waging psychological warfare through radio broadcasts, books, newspapers, movies, television, and other propaganda media. The United States spends an estimated 7 billion dollars a year to wage propaganda campaigns against socialism. They have set up radio stations and published newspapers in more than 60 languages to popularize their decadent lifestyle and culture, including extravagant spending, superstitious beliefs, and wrong philosophy regarding democratic rights and freedom, aimed at creating antagonistic feelings between the masses and parties and between younger and older generations. In addition to propaganda campaigns and cultural deception, they have also used material goods to lure the youths.

In short, youths have a very significant strategic role to play. Therefore, special attention must be paid to stepping up youth work.

In terms of overall tasks in the youths to come and youth work, in the immediate future, our entire party, army, and people must continue to fulfill the two strategic tasks: to defend the country and to build socialism; strengthen the unity among the masses and tribes; heighten vigilance; strive to defend the country; strengthen the system of proletarian dictatorship from the grassroots level; safeguard and enhance the revolutionary gains; endeavor to transform and build the economy and to develop culture; pay attention to improving the living conditions of the people; concentrate on promoting agricultural and forestry production; closely coordinate forestry and agricultural work with industrial work; vigorously promote local economy; firmly resolve food problems; develop the economy to produce goods and to make more products for domestic consumption and for export; build more essential material foundations; develop the communications and postal network as a central point; build economic and technical groups that serve agriculture and forestry; build a number of key economy areas throughout the country and a number of model mountainous economic areas; vigorously promote the ideological and cultural revolution; effect an educational reform by linking education with the economic and social life; raise the level of quality of education; develop literary and arts movements, physical education, the 3-clean sanitation movement, and the movement to create a new life-style; pay attention to doing away with the traditions and customs that have a bad effect on production and health; step up efforts to take care of the health of the people, mothers, the children; strive to build and train cadres, workers, and new socialist Lao people, especially the faithful continuators of the party's revolutionary cause; firmly strengthen the economic relations with Vietnam and Cambodia; create a system of dividing work and cooperation with them so as to advance together; and expand the economic cooperation with the Soviet Union and the other fraternal socialist countries.

At the same time, we must broaden our economic relations with friendly countries; solicit assistance from the international organizations; resolutely wipe out the centralized mechanism of management, bureaucracy, and favoritism and pay attention to implementing a new management mechanism, dividing

levels of responsibilities, and permitting the localities and grassroots level to enjoy the right to collective mastership; practice the economic calculation system; carry out socialist business enterprises; harmoniously coordinate the three types of interests; and consolidate and improve the work mechanism and pattern aimed at raising the level of quality and efficiency so as to gradually improve the economic and social situation in our country.

We must strictly practice the system of thrift in all spheres and oppose to the extravagant utilization of state and mass property.

To triumphantly fulfill these tasks, we must firmly grasp the following strategic measures: We must vigorously turn all spheres of work to the grassroots level with the direction of closely coordinating the three fields, that is the political, political and social, and national defense and public security maintenance fields. To fulfill these overall tasks, the youths must vigorously enhance the role of being the offensive force--the vanguard forces in all movements. Therefore, the youth committees must pay attention to fulfilling the following important duties:

1. They must pay attention to training and forging themselves to gain sound revolutionary qualifications and to striving to engage in education to gradually raise the level of knowledge and capabilities. They must mingle with the various mass movements, aimed at promoting the youth movement to relentlessly and firmly advance forward along the correct path and direction and at translating into reality all the duties and targets outlined in the state plan in each period. Through this method, we will be able to find a good model for further development and find outstanding and energetic people to be trained for key cores in all movements. Only by doing this will the youth movement grow up, march forward, and become stronger.
2. Attention must be paid to consolidating working regulations and procedures. Concrete plans and measures must be adopted for an implementation of all tasks. Clear-cut divisions of labor and responsibilities must be established. Attention must be paid to regularly carrying out control and encouragement work. Timely arrangements must be made to review achievements and learn lessons in implementing tasks. Simultaneously, the executive committees must continue with appropriate concerns of daily life. Self-criticism and criticism of each other must be strictly practiced in carrying out daily tasks.
3. Attention must be paid to thoroughly expanding the organizational work of youth unions in all establishments, completely doing away with all white establishments [hakthan khao], and turning the youth union into a key body to cement solidarity and carry out all youth activities. At the same time, appropriate measures must be used to motivate and persuade youths to join various organizations, including those in the cultural, art and literary, and other fields. No youths are allowed to avoid the organizations.
4. Attention must be paid to building young cadres. In carrying out this task, concrete plans must be adopted in close coordination with the party's guidelines and according to practical conditions in the country in each period. Simultaneously, attention must be paid to combining this task with those of the educational and other branches concerned. The tasks of

educating and training youths and children must be promoted and expanded in all respects. The gifts of youths and children must be promoted to make their generation loyal to our revolutionary cause.

5. Special importance must be attached to strengthening solidarity and maintaining unification in the ranks of the youth union executive committees at all levels, particularly at the central level, to turn the youth union into the center for maintaining solidarity and cohesion among youth union committees as well as youths in general. It is only in this way that youths can successfully fulfill their strategic role.

6. Another issue that must receive attention is the building of a new way of living for the new, socialist Lao people. Regarding this, it is necessary to establish relations between one man and another on the basis of the spirit of cherishing each other, respecting each other, assisting and being sympathetic with each other, not taking advantage of each other, not being jealous of each other, not being selfish, not being hypocritical, and not maintaining a fixed concept toward each other. Youths must be built into people who are industrious and persistent in engaging in labor; carry out tasks in an orderly manner while maintaining high standards of quality; always pay attention to raising labor productivity and working efficiency; strictly practice thrift in all respects; actively and positively study to gain knowledge to serve the nation better, eliminate the wrong line of thought that one studies to become the master of other people; behave in a tender and humble manner; always maintain revolutionary attitudes and a line of thought of always endeavoring to advance; maintain readiness to devote themselves to the overall cause as much as possible without any idea of expecting something in return; know how to establish appropriate love between young boys and girls, love in families, and love among friends; maintain a profound, patriotic spirit in combination with a pure spirit of proletarian internationalism; know how to enhance the fine traditions of the nation while accepting selected good things from various fraternal countries and other countries and making use of them at the right time and in the right place; and are not crazy about Western styles of dress and pleasure seeking.

Beloved comrades, our duties remain heavy. I believe that the Lao youths--who have maintained glorious and heroic traditions--will be able to march forward continuously to step up their 3-solidarity and 4-offensive movements thoroughly, widely, and regularly and to successfully overcome various difficulties and obstacles to score new, ever greater achievements to contribute to pushing the overall cause of our nation to firmly march forward. Let our Lao youths act as an eagle--not fearing the storm and serving as the victorious banner of our era.

/12712

CSO: 4206/38

LAOS

ARMED FORCES URGED TO FULFILL 2 DEC ORDER OF DAY

BK191250 Vientiane Domestic Service in Lao 0430 GMT 16 Dec 85

[Editorial: "Let our people's armed forces resolutely put into practice the order of the day issued by the national defense minister"]

[Text] On 2 December, on the occasion of the celebration of the 10th anniversary of the establishment of the LPDR, our national defense minister issued an order of the day to cadres and combatants in the LPA and various militia-guerrilla and self-defense forces throughout the country. It is a line and a policy, a glorious torch illuminating the path for our people's armed forces to fulfill all onerous but honorable and glorious tasks entrusted to them by the party and country in the new period of the revolution.

To correctly, thoroughly, and effectively implement the various tasks in the order of the day issued by the national defense minister, all leading committees, commanders of all units at all levels, and all cadres and combatants must study and profoundly understand this order and organize the successful implementation of it. First of all, they must firmly grasp their duties and, together with the people, resolutely smash all enemy's sabotage activities in order to safeguard public order. They must always maintain combat readiness to defend the country. Simultaneously with carrying out these tasks, they must positively coordinate with the forces of all branches at all levels to carry out various strategic measures of the party and state--measures of shifting to the grassroots to organize the masses to build and expand the revolutionary forces, consolidate tranquility at the grassroots in all respects, develop production, and gradually improve the people's living conditions.

Moreover, they must strive to study and train and temper themselves in order to raise their political, military, professional, and cultural levels. They must always pay attention to training themselves to obtain revolutionary qualifications, ceaselessly promote and develop the true nature and tradition of the people's army, strive to fulfill all three obligations--standing ready for combat and fighting well, positively contributing to mobilizing and organizing the masses, and doing well in increasing production.

What is worth attention is that importance must be attached to the strategic task of national defense--that is, to stepping up the regional military work, building and developing mass movements, defending the homeland, creating

national defense and public security networks in localities and at the grass-roots, positively participating in economic construction, closely coordinating the economic work with the national defense work, vigorously taking part in production and practice thrift, contributing to building and making the country rich and strong, and ensuring combat readiness. In addition, we must constantly grasp the following--to strengthen the special militant solidarity and alliance with the peoples and armies of fraternal Vietnam and Cambodia, to strengthen the solidarity and all-round cooperation with the Soviet Union and other countries in the socialist community, and to positively contribute to the struggle for world peace and for peace, stability, friendship, and cooperation in Southeast Asia.

Our people's armed forces are extremely proud of being entrusted with this heavy but honorable task by the party and state. We are determined to uphold our loyalty to the party, closely unite around the party Central Committee, and make use of all our capabilities to fulfill all tasks assigned by the party, government, and people.

Being the main force of the party's system of proletarian dictatorship, the entire people's armed forces are determined to march forward to victoriously accomplish all honorable and glorious tasks entrusted by the party, state, and people.

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CSO: 4206/38

LAOS

VIENTIANE DISCUSSES CAUSES OF ECONOMIC PROBLEMS

BK181441 Vientiane Domestic Service in Lao 0530 GMT 17 Dec 85

[Feature: "Why Is It Necessary To Modify Economic Management?"]

[Text] Respected listeners, we all know about the implementation of the resolutions of the third party congress and other resolutions of the party Central Committee. We know that with regard to the economic situation in the transitional period in our country we have achieved new progress and certain success. Agricultural production has distinctly progressed and developed. The production of foodstuffs in 1985 alone has doubled, while industrial production has on the average increased by 10 percent each year. The production of electricity has almost tripled that in 1975. The volume of forest products and ores exported to foreign countries has increased every year.

Nevertheless, this progress is minimal when our potential and requirements are taken into consideration. The current economic situation is full of difficulties, with many shortcomings. Agricultural production has not yet developed in all respects; there is still vast destruction of forests for highland crop cultivation; many factories and plants have not yet made full use of machines and are operating at only 40 to 50 percent of their full capacity. There are many shortcomings in the circulation and distribution of work, and the efficiency, quality, and effectiveness of economic activities are still low. These conditions are caused by many subjective and objective reasons; but, all things considered, there are two fundamental causes.

1. We have not yet concretized the party's line to formulate a socioeconomic strategy that conforms with the transitional period.

2. Economic management is still being carried out bureaucratically, with an abuse of power, and with favoritism. This is reflected by the following: Enterprises have not yet organized their production appropriately and have not yet associated industry with agriculture; production remains disconnected from circulation; various economic branches have not been used correctly; importance has not yet been attached to small and medium businesses; too much attention is given to direct methods in planning; objectives are unrealistic and do not conform with the natural economic conditions; various policies have not yet been implemented correctly; salaries do not ensure production; prices are inconsistent with value; management mechanisms are still weak and have not clearly reflected the role of state management and the management of enterprises; and cadres are too few and very weak.

Management techniques that are centralized, bureaucratic, and show favoritism have hurt the economy and society, since they have not only delayed production and interrupted circulation, but have also changed quality, causing bureaucratism, arbitrariness, false reporting by lower to higher echelons in many state offices, and corrupt and greedy practices among cadres, workers, and state employees.

Therefore, to vigorously boost production, to practice thrift, and to improve the living standards of society, we must positively carry out the following two important tasks:

1. We must formulate an economic and social development strategy that conforms with the initial phase of the transitional period.
2. We must modify economic management, do away with bureaucratic, centralized, favoritism management methods, and turn to socialist economic management. All these are the reasons why we must modify the economic management work.

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CSO: 4206/38

LAOS

BRIEFS

PLO REPRESENTATIVE PRESENTS CREDENTIALS--Vientiane, 20 Dec (KPL)--Souliyong Phasitthidet, deputy minister for foreign affairs, on 16 December received Sadi H. Jaber who presented his credentials as new representative A. I. of the PLO to Laos. During the cordial talk, Souliyong Phasitthidet said he hoped that the new PLO representative would do his best to broaden the relations and cooperation between the Lao PDR and the PLO. [Excerpt] [Vientiane KPL in English 0952 GMT 20 Dec 85 BK] /9738

SRV HANOI DELEGATION--Vientiane, 20 Dec (KPL)--A delegation of the Hanoi Commission for Economic and Cultural Cooperation with Vientiane and Phnom Penh arrived here yesterday for a five-day visit. The Vietnamese delegation is to discuss with the Lao officials concerned ways to further consolidate the cooperation. It will visit various production bases in Vientiane. The same day, a group of 15 artists from Hai Hung Province of Vietnam also arrived here on a one-month tour. [Text] [Vientiane KPL in English 0954 GMT 20 Dec 85 BK] /9738

HANOI'S ASSISTANCE--Vientiane, 20 Dec OANA (KPL)--Hanoi Capital, in the frame-work of a cooperation agreement between the Lao and Vietnamese capitals, on 18 December handed over to the Vientiane brickworks equipment for making floor tiles. The Hanoi technicians started to install the equipment since the beginning of last month, and when ready, the workshop can annually produce 500,000 tiles. Representing the Lao side at the hand-over ceremony was Siho Bannavong, deputy-mayor of Vientiane, and the Vietnamese side, Le Cao Dat, director of the Nam Thang brickworks. [Text] [Vientiane KPL in English 1002 GMT 20 Dec 85 BK] /9738

COOPERATION MEMORANDUM WITH SRV--Vientiane, 21 Dec (OANA-KPL)--A memorandum on socio-economic cooperation between Laos and Vietnam for 1986 was signed here yesterday. Signatories to the memorandum were Khamphet Phengmuang, first vice-chairman of the State Planning Committee of the Lao PDR, and Ho Ngoc Duong, vice-chairman of the State Planning Committee of the SRV. Dam Xuan Dung, economic and cultural representative of the Vietnamese embassy here, was present at the signing ceremony. According to this memorandum, the two sides will cooperate in the construction of industrial, forestry, transport and post projects, the production and exchange of goods, the surveying of mineral deposits, and the training of cadres. [Text] [Vientiane KPL in English 0909 GMT 21 Dec 85 BK] /9738

14 January 1986

DELEGATION RETURNS FROM BUCHAREST--Vientiane, 25 Dec (KPL)--A delegation of the LPRP headed by Saman Vi-gnaket, secretary of the party Central Committee, returned here yesterday after attending a conference on international proties [as received] of socialist countries held on 19-20 December in Bucharest, the Romanian Socialist Republic. The delegation was met at the airport by Maichantan Sengmani, secretariat of the party Central Committee, and other high ranking officials. [Text] [Vientiane KPL in English 0907 GMT 25 Dec 85] /9738

SOUPHANOUVONG RECEIVES ALBANIAN DELEGATION--Vientiane, 26 Dec (OANA-KPL)--Souphanouvong, president of the Lao PDR and the PSA, on 25 December, received a delegation of the Ministry of Foreign Affairs of the People's Socialist Republic of Albania led by its first deputy-minister Sokrat Plaka, which is on an official visit here. During the cordial talk Sokrat Plaka, head of the Albanian delegation, thanked President Souphanouvong for the warm reception given to him. The visiting delegation also reported to the president the results of his visit here. On this occasion, they also discussed many issues with particular emphasis on strengthening of the future relations of friendship between Laos and Albania. In addition, they exchanged views on international issues of mutual interests. [Text] [Vientiane KPL in English 0857 GMT 26 Dec 85 BK] /9738

ALBANIAN DELEGATION MEET--Vientiane, 25 Dec (KPL)--Phoun Sipaseut, Politburo member of the LPRP Central Committee, vice-chairman of the Council of Ministers, minister of foreign affairs, on 24 December, met here a delegation of the Ministry of Foreign Affairs of the People's Socialist Republic of Albania led by its first deputy-minister Sokrat Plaka. During a cordial friendly meeting, Phoun Sipaseut and Sokrat Plaka discussed affairs on strengthening the relations of friendship between the two countries. Besides they also exchanged views on international issues of mutual interests. On the same day, the delegation of Lao and Albanian ministries of foreign affairs, respectively led by their first deputy ministers Khamphai Boupha and Sokrat Plaka, held talks on the development of relations between ministries of the two countries, and other issues of mutual interests. The Albanian ambassador to Laos, Syrja Laze, was also present at the meeting. [Text] [Vientiane KPL in English 0901 GMT 25 Dec 85 BK] /9738

ALBANIAN DELEGATION ARRIVES--Vientiane, 24 Dec (OANA-KPL)--A delegation of the Ministry of Foreign Affairs of the People's Socialist Republic of Albania led by its first deputy-minister Sokrat Plaka arrived here yesterday for a friendly visit at the invitation of the Ministry of Foreign Affairs of the Lao PDR. Welcoming the delegation at the airport were Khamphai Boupha, first deputy minister of foreign affairs, and other officials. [Text] [Vientiane KPL in English 0903 GMT 24 Dec 85] /9738

DELEGATION TO INDIA--Vientiane, 26 Dec (OANA-KPL)--A delegation of the party and Lao Government led by Sali Vongkhamsao, secretary of the party Central Committee, vice-chairman of the Council of Ministers, chairman of the State Planning Committee, left here yesterday afternoon to Bombay (India). The Lao delegation is to attend the 100th founding anniversary of Congress-I

14 January 1986

Party of India. Seeing the delegation off at the airport were Gen Sisavat Keobounphan, secretary of the party Central Committee, minister of interior, and Khamphai Boupba, member of the party Central Committee, first deputy-minister for foreign affairs of the Lao PDR. Shiv Kumar and V. Sobchenko, ambassadors of India and the Soviet Union to Laos respectively, were also present at the send-off. [Text] [Vientiane KPL in English 0900 GMT 26 Dec 85 BK] /9738

INTERNATIONAL STUDENTS DELEGATION DEPARTS--Vientiane, 24 Dec (OANA-KPL)--A delegation of the International Union of Students led by its Vice-president Panna Sen Supta left here on 23 December, ending its three-day visit to the capital of the Lao PDR. During its stay here, the delegation paid a courtesy visit to Thongvin Phomvihan, member of the party Central Committee, first secretary of the LPR Youth Union. It met with Phiang Sisoulat, deputy-minister of education and exchanged views with him on youths' [as received] in education as well as in national defense and construction. The delegation also visited the Dongdok Teachers' College, the revolutionary museum, and other places of interest. [Text] [Vientiane KPL in English 0904 GMT 24 Dec 85 BK] /9738

HANOI CONSTRUCTION SERVICE DELEGATION--Vientiane, 24 Dec (KPL)--The deputy-mayor of Vientiane, Dr. Siho Bannavong, received here on Saturday a delegation of the Hanoi construction service led by its deputy head, Nguyen Van Khuyan, on a current visit to Laos. Dr. S. Bannavong welcomed the delegation on its visit saying that it would help strengthen the solidarity between the people of Vientiane and Hanoi. [Text] [Vientiane KPL in English 0906 GMT 24 Dec 85 BK] /9738

VIENTIANE-HANOI COOPERATION--Vientiane, 24 Dec (KPL)--A memorandum on economic and cultural cooperation between Vientiane and Hanoi was signed here on 23 December. Signatories to the memorandum were Sithon Sibounheuang, head of the Vientiane Commission for Economic and Cultural Cooperation with Hanoi, and Le Ha, head of the Hanoi Commission for Economic and Cultural Cooperation with Vientiane, and Phnom Penh. The Vietnamese delegation left here in the afternoon of the same day. [Text] [Vientiane KPL in English 0907 GMT 24 Dec 85 BK] /9738

TALKS HELD WITH STATE PLANNING GROUP--On the afternoon of 17 December a delegation of the LPDR State Planning Committee led by its first vice chairman Khamphet Phengmuang met with a delegation of the SRV State Planning Committee led by its vice chairman Ho Ngoc Duong in Vientiane. At this meeting both sides reviewed, assessed, and evaluated the implementation of work for mutual cooperation and assistance between Laos and Vietnam in the spheres of agriculture, industry, and forestry in the past few years. They mutually agreed to further strengthen their cooperation and assistance in the years to come, particularly their assistance in the industrial sphere in surveying the construction of hydroelectric power projects in Oudomsai, Houa Phan, Sayaboury, and Sekong Provinces as well as the construction of sugar, paper, and other factories. In the agricultural field, the mutual assistance is aimed at producing appropriate rice strains in some plain areas of Vitpowzne, Savannakhet,

and Champassak Provinces; at building irrigation projects in some areas where favorable conditions prevail; and at boosting animal husbandry, particularly in Xieng Khouang, Khammouane, and Saravane Provinces, where farms will be built. In addition, they will join in cooperating to survey the Bolovens Plateau to build cardamom, coffee, and tea plantations. In the forestry sphere, they will strengthen the cooperation in exploiting forests along routes 9 and 8 as well as in border areas between Laos and Vietnam. This is to further strengthen the bilateral cooperation and assistance. [Text]
[Vientiane Domestic Service in Lao 0000 GMT 18 Dec 85 BK] /12712

CSO: 4206/38

PHILIPPINES

~~FORMER NPA LEADER URGES CLOSER GOVERNMENT LINK TO PEOPLE~~

HK230842 Davao City PEOPLE'S DAILY FORUM in English 29 Nov 85 pp 1, 8

[Article by Hernanie Pastolero]

[Text] Top NPA commander in the Visayas region warned that the Communist strength will continue to grow unless the government does something to win back the hearts of the masses in the hinterlands. Speaking before some six hundred crowd during the symposium in counter-insurgency in the Shariff Kabungu-an Complex in Cotabato City last 23 November the erstwhile NPA regional commander in Visayas Pastor Alcover Jr., said the government should establish close links with the people in the farflung communities. Pastor Alcover, who joined the Communist movement while he was still in high school in Cebu City seven years ago said he rejoined the folds of the law because he realized that he has been misleading his Filipino brothers of the goal of our present leadership. According to Alcover the civic action project launched by the government (CVAC) has failed to neutralize NPA's influence in the mass base because after these projects are implemented they are not being followed up with personalized government contacts with the people.

Every time the government doles out medical aids to the barangays the NPA begin indoctrinating the people that it is the duty of the government to give medicines to the people, Alcover said. The NPA also confiscated all the medical supplies and they would be the ones to ration the medicines to the people. Alcover said the military figure of the standing army of the NPA is only 12,000 but there are actually 20,000 NPA fighting regulars. He said the NPA are also celebrating their Christmas Day every 26 December. The birthday of Mao Zedong. The Communist ideologues in the Philippines are mouthing the Maoist line, according to Alcover. Alcover will speak of the evils of Communism in a series of counter-insurgency symposiums to be held in different provinces in Region 12, according to Major Oscar Recentes of Ruc-12. Meanwhile, Ruc [Regional Unified Command]-XII Commanding General Cesar F. Tapia has intensified the military campaign to restore peace and order in the region through the left-hand efforts, including counter-insurgency symposia in areas considered NPA infested.

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CSO: 4200/455

PHILIPPINES

TRADE UNION CONGRESS DENIES MEMBERS WANT TO SECEDE

HK241409 Manila BUSINESS DAY in English 24 Dec 85 p 19

[Text] The Trade Union Congress of the Philippines (TUCP) today called "a blatant lie" the statement by MP Salvador Britanico that "19 of the 29 member-unions (of TUCP)... are considering secession from TUCP." TUCP secretary Ernesto F. Herrera said: "There is no iota of truth to it. TUCP does not have any members wanting to break away, much less because of the alleged pro-communist leanings. All TUCP members are for free, democratic unionism and are hard-line anti-communists." Britanico had claimed that TUCP's receiving aid from the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) had disgusted its members with "blatant pro-communist leanings." At the same time, Herrera said that AFL-CIO aid has gone to intended projects for workers' education and socioeconomic programs. "There is nothing anomalous about such help given by our fraternal organizations abroad," Herrera said. "We hope that MP Britanico does not imply by his allegations a low regard of the unions' integrity and contemptuous attitude towards TUCP's campaign for a free and clean election." TUCP has launched a non-partisan campaign for active participation in the election, intelligent, [word indistinct], honest polls. It is a member of the National Citizens Movement for Free Elections.

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CSO: 4200/455

PHILIPPINES

JANUARY-NOVEMBER CORPORATE INVESTMENTS UP 72.5 PERCENT

HK270915 Manila BUSINESS DAY in English 26 Dec 85 p 3

[Text] The Securities and Exchange Commission (SEC) recently reported that total corporate investments, in terms of initial paidup capital plus capital reinvestments, rose 72.5 percent to P5,851.7 million for the January-to-November period from the year ago's P3,391.7 million.

Fresh investment increased 81.8 percent during the 11-month period to P1,969.5 million against the previous P1,083.4 million.

Additional investments in existing companies, on the other hand, advanced 68.2 percent to P3,882.7 million from P2,308.3 million.

Combined foreign investments meanwhile soared to P1,458.6 million from P560.9 million recorded last year. These were either in the form of new investments or additional equity infusions in established firms.

However, the capital takeout due to business dissolutions rose to a staggering P2,075.5 million from only P324.9 million last year.

On a month-on-month basis, the SEC noted that total capital investments in new and existing firms dropped 72.6 percent to P193.1 million last November against the P704.2 million recorded last October.

Total initial paidup capitalization last month eased off 44.6 percent to P128.3 million compared to the preceeding month's P231.5 million.

Top investors last November were G. Casas Et. Al Corp. with an initial paidup capitalization of P13.1 million; North Edsa Marketing, Inc., P12.5 million; Trion-Gorones, Inc., P10 million; Trillamar, Inc., P4 million; Jahrlan Realty and Development Corp., P3.7 million; Flexible Packaging Products Corp, and Rosario Textile Mills Corp., P3.1 million each; and Guaranteed Education, Inc., P2.7 million.

Business expansions, on the other hand, nosedived 86.3 percent to P64.7 million from the previous month's P472.7 million. Recipients of the biggest additional capital infusions during the period were Aries Philippines, Inc. and Neco Industries, Inc. which received P9 million each.

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CSO: 4200/455

PHILIPPINES

GOVERNMENT AGENCY SEEKS TO SELL EQUITY IN BANK

HK241530 Manila METRO MANILA TIMES in English 24 Dec 85 pp 12, 11

[Text] The Government Service Insurance System (GSIS) is selling its equity holdings in Commercial Bank of Manila [Combank] for P500 million.

Negotiations for the sale of the bank to a foreign bank and four local groups led by insurance magnate Antonio Cabangon Chua are now being finalized.

Sources said GSIS wanted to unload its 3,218,195 shares in Combank for P155.37 per share.

This selling price is based on the book value per share plus a premium estimated at 50 percent of the par value per share.

The book value per share is placed at P102.69 while the par value per share is P100. The total book value of the shares, amounts to about P330 million.

The premium being asked by GSIS is estimated at P170 million. It was not known, however, if the prospective buyers of Combank have agreed to the selling price being asked by GSIS.

The buyers include the Honolulu-based Bank of Hawaii, Fortune Insurance, a group engaged in shipping, a multinational Filipino firm, and a plastic manufacturing firm.

This is the second attempt of Bank of Hawaii to invest in a local commercial bank. Early this year, Bank of Hawaii, in a joint venture with sugar trader Antonio Chan, proposed to buy Pacific Banking Corp, a medium-sized bank placed under receivership by the Central Bank. This, however, fell through due to legal problems.

The negotiations between GSIS and Bank of Hawaii and the local groups are expected to be firmed up soon. The only remaining kinks that have to be ironed out are the proposed equity sharing.

Sources said the prospective buyers have tentatively agreed on an equal equity sharing scheme. This means that each group would take up a 20 percent equity in the bank. Based on this arrangement, Bank of Hawaii would only have a 20 percent share in the bank while the local groups would have the 80 percent.

Sources said, however, the deal would still have to be finalized. One of the groups is reportedly seeking a higher equity share in the bank.

Under the proposed tie-up between Bank of Hawaii and the four local groups, the Honolulu-based bank will pump in P500 million into the bank.

Combank, formerly owned by the Herdis Group, was acquired by GSIS in 1981 for P650 million. It is now being sold in line with the government policy of privatization or the sale back to the private sector of companies which the government had earlier acquired or taken over.

Interbank, also formerly a part of the Herdis group and now owned by the National Development Company, has reportedly reached an agreement for the sale of its 40 percent equity to American Express Bank, Ltd, a subsidiary of American Express Company based in New York.

If negotiations prove to be successful, Combank and Interbank would be the first banks to be sold back to the private sector. The other government-acquired banks also being sold are Philipinas Bank, Union Bank of the Philippines, Associated Bank, and Republic Planters Bank.

/9738

CSO: 4200/455

PHILIPPINES

BRIEFS

MNLF 'DISINFORMATION' ATTEMPT--A Filipino Muslim diplomat in Saudi Arabia has thwarted attempts by Nur Misuari, self-styled chairman of the MNLF, to spread lies and disinformation about Philippine conditions. The Ministry of Foreign Affairs said Philippine Ambassador Tamano answered point by point Misuari's allegations. The allegations, which were inimical to Philippine interests, were published in the 27 November issue of SAUDI GAZETTE. Misuari said dispute will break up the presidential and vice presidential elections and affirmed the legend that Filipino Muslims have never been part of the Philippine nation. However, Tamano immediately reacted to this allegation, saying that Misuari is ignorant of the real conditions in the Philippines because he has not been in the country for the past 20 years. Tamano assured the Saudi Arabians that Filipino Muslims are set to participate in the elections as they have never done before. [Text] [Quezon City Maharlika Broadcasting System in English 0700 GMT 24 Dec 85 HK] /9738

MINDANAO HYDROPOWER PLANT--Another hydropower plant is due to start operations next week in Mindanao. The Tulanggit Plant No. 4 will add another 255 megawatts of electricity to the Mindanao area. The plant's operation will help carry out the president's directive to restore full power supply to Mindanao. Power supply to the island has been adversely affected because of the drop in the water elevation at Lake Lanao where several hydropower plants are located. The National Power Corporation reported, however, that the water level at the lake has risen to 700 meters. Barring any drought next year, power supply in Mindanao is expected to be adequately provided by hydrosystems. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 26 Dec 85] /9738

CSO: 4200/455

THAILAND

WIWAT COLUMN CRITICIZES POLITICAL TORPOR

BK180700 Bangkok WIWAT in Thai 9-15 Dec 85 pp 56, 57

[Chatcharin Chaiwat column: "I Would Rather Die If I Were in Pa's Boots"]

[Text] Following the election of the Bangkok governor, the "silent majority" has lapsed back into silence. The public paid very little attention to the ensuing elections of district council members as the people's political eagerness began to fade. The temporary political activity can be compared to the excitement experienced from watching Larry Holmes and Michael Spinks fight on television; when the television is turned off after the fight, everything returns to normal. Only a few remarks might be heard.

A roadside poet described the atmosphere by saying: "when a stone is thrown into the water, waves are created and disappear at the edge of the pond. The water in the pond then become motionless again as it always is."

During the past weeks, the people saw moves to "foil" attempts by certain groups to muster support from those who are not satisfied with the current situation to press for amnesty for the 9 September coup plotters. It began with the arrest at Don Muang Airport of some people who were about to go abroad to seek financial assistance and the "dud check lawsuit."

The "textile" problem has been big news for the past several months but now it is treated as nothing important. Some newspapers even omit it. However, the problem has not yet been solved. In short, the textile crisis still lingers.

Regarding tin, a few business publications provide regular coverage over this issue, but nothing special. In any event, the International Tin Council will certainly collapse, and efforts to stabilize tin prices are unlikely to yield any result.

There has not been much news about para rubber. However, it is generally known that both para rubber and tin are facing the problem of low prices in the world market. The para rubber-producing countries have failed to provide sufficient funds to buy the product for the international buffer stock. The domestic rubber price is 15 baht per 1 kilogram while the same weight of rubber brings only 14 baht in the world market. The rubber price hike in the

south was only the result of competition between the two big companies which is expected to force many smaller companies to close down. Rubber prices will continue to decline.

Sugarcane seems to be quite big news probably because of the involvement of those well-established organizations. Moreover, the issue involves politics, thus attracting public interest. Cane planters want 420 baht per ton for their crop while the government is offering only 323 baht. More fuel is added to the flame when some political groups plan to lead cane planters into Bangkok to call for higher prices. No matter how the government tries to defuse the crisis, it will have to seek at least 2 billion baht loan to support cane prices.

Critics from different schools have come to the conclusion that Thailand's economy is deteriorating. Some economists went a little bit too far by suggesting talks with the military over the defense budget, but before they could step forward to say anything, they heard someone shouting: mind your own business. [words indistinct] things are getting worse, businessmen believe that the baht devaluation in 1984 has failed to bring any good as expected--the export volume increased but its value decreased. The economic growth rate for the upcoming sixth national development plan is fixed only at 4 percent instead of 5, so the number of jobless will shoot up to 2 million automatically.

The sluggish atmosphere following the Bangkok governor election has, however, been brightened to a certain extent by the electioneering campaigns launched by General Han Linanon and Khanin Bunsuwan of the Democrat Party and Lieutenant General Withun Yasawat and Dr Ratchata Kanchanawanit of the Social Action Party for the upcoming by-election to be held in Bangkok's constituency. Meanwhile, the Pra Chakon Thai Party has not yet revealed its candidates to the people. After the by-election, the dullness will definitely return.

The people almost had something to talk about when the government was reported to have decided to break the dullness by increasing the diesel oil price to as high as 8 baht per liter as the Social Action Party jumped out to air its strong opposition to such an idea. The new diesel oil price could have been a weird new year gift for the Thai people. General Prem Tinsulanon has obviously faithfully applied the theory established by (Crusio Malapate) who said: "One of the best ways to counter the antigovernment current is to prolong everything as long as possible."

Attempts have been made to trigger a sense of humor among the people. An unsuccessful businessman burst into dry laughter when he came across a press report on Gen Prem's speech delivered at a meeting of businessmen at the Dusit Thani Hotel recently. The prime minister reaffirmed that Thailand's economy is "excellent" in the eyes of foreigners, reasoning that "they still give us loans."

Other businessmen who are disappointed with the low purchasing power of the Thai people smiled when they read a portion of the same report which says: "regarding the investment climate, his excellency the prime minister has

created an atmosphere attracting foreign investment. He said: I have told foreigners on several occasions that it is better to invest their money in Thailand because we have many things which other countries do not have. For example, our Thai International Airline has pretty girls to serve its clients. During my trip to China, I noticed that services on board their planes were terrible. Nothing can be compared to ours."

Those businessmen were so impressed by the prime minister's statement that they want to join the placard holders hired by the Interior Ministry to greet the prime minister wherever he goes. However, the sentence they would like to have on their placard will read: "I would rather die if I were in pa's [Prem] boots."

The Communist Party of Thailand, the government's No. 1 enemy, has been totally defeated, but the budget allocated for communist suppression will continue to increase. It is assumed that the armed forces support democracy with the king as the head of state. As the army radio and political parties exchange verbal attacks, the democracy-loving people experienced gooseflesh. There will be no cabinet reshuffle, house dissolution or anything new. The people are urged to be patient, practice austerity, and behave to cope with the further economic deterioration.

A no-name poet then recited the following verse:

"The politicians were exhausted by the election games;
The division commanders smile happily in the upper house;
Workers hopelessly call for social welfare;
Nobody knows who is running the five labor organizations;
Students are fed by with discotheques;
Hundreds of thousands of people merge their hearts into one as they try to
figure the last three digits of the next lottery drawing;
Halley's comet will come close to the earth next year;
What will we have left in the land of Siam?

/12712

CSO: 4207/110

THAILAND

CROWN PRINCE TO ATTEND ARMY WAR COLLEGE, THEN TO U.S.

Bangkok DAO SIAM in Thai 29 Nov 85 pp 1, 2

[Excerpt] The Crown Prince is currently on active duty in the army and serves as the commander of the King's Guard Mahatlek Regiment, which is a slot for a special colonel or colonel. He has been the commander of this unit (which used to be a battalion) for 1 year now. There have been reports that he will be promoted to special colonel based on position. The reports stated that his salary has reached the level of a special colonel.

At the time that the King's Guard Mahatlek Regiment was still a battalion, it was subordinate to the 1st King's Guard Mahatlek Infantry Regiment. But now that it is a regiment, the King's Guard Mahatlek Regiment commanded by the Crown Prince is directly subordinate to the 1st King's Guard Division, which is commanded by Maj Gen Wimon Wongwanit.

The reports stated that besides being promoted to special colonel, the Crown Prince will attend the Army War College, where he will take a 1-year course. The Army War College is an army educational institution that is subordinate to the Institute of Army Academies. The curriculum of the Army War College stresses high-level army management and the characteristics of military leaders who will command units at the divisional level on up. This is preparation for those who will be promoted to "general." Those admitted to this school must hold the rank of colonel or higher. They can be from the command, staff, operations or combat support streams. But the quotas for those from the command and staff streams are much larger. The Crown Prince is considered to be in the command stream. He and three other officers from the King's Guard Mahatlek Regiment will be sent as part of the quota of the 1st King's Guard Division. The army has made preparations for him to attend this school. It is thought that he will receive his orders this month and that he will begin school at the beginning of next year.

The news reports also stated that after he has completed his studies at the Army War College, the Crown Prince will attend the U.S. Army War College. He will attend the War College there for 1 year. The army is making advance preparations for this in conjunction with the U.S. Army. The year that the Crown Prince attends the U.S. War College, a special quota will be set for Thai officers.

11943
CSO: 4207/106

THAILAND

SPECIAL WARFARE APPOINTMENT ENGENDERS APRIL RESHUFFLE SPECULATION

Bangkok LAK THAI in Thai 5 Dec 85 pp 29, 30

[Unattributed report: "The Special Warfare Command, Time for a New Commander"]

[Text] Placing the U.S. special forces under a special warfare command is something that the U.S. special forces have thought about. But they have not done this because the U.S. Congress has not given its approval. Thailand's special forces established a Special Warfare Command in 1983. The 1st and 2d special forces divisions and the Special Warfare Center were subordinated to the Special Warfare Command. This command was made the equivalent of an army area. Lt Gen Anek Bunyathi was the first commander of the Special Warfare Command. The present commander is Lt Gen Sunthon Khongsomphong, or "Big Chot." Special forces units can be employed nationwide and even overseas (if that should ever be necessary).

This paratroop unit started out as a battalion. At that time, the unit was subordinate to the Infantry Center. Now, it has grown to the equivalent of an army area. It has special qualities and is recognized as having greater capabilities than other units.

The Special Warfare Command, which is located at Ban Erawan in Lopburi and which has a forward headquarters at 1st Army Area headquarters, is commanded by Lt Gen Sunthon Khongsomphong. The deputy commanders are Maj Gen Sanan Sawetserani and Maj Gen Thonphon Punyopattam. Maj Gen Sanyawit Sirimonthon is the chief of staff. Maj Gen Phayap Prachansen is the commander of the Special Warfare Center. Maj Gen Khachon Ramanwong is the commander of the 2d Special Forces Division. Maj Gen Wattana Sanphanit is the commander of the 1st Special Forces Division. This list of generals is short one man. That is, there should be a third deputy commander of the Special Warfare Command. Each army area has three deputy commanders. The Ministry of Defense has ordered that a major general be appointed to this position and that the other slots be filled to match those of the army areas. These positions include comptroller and inspector general. Thus, people are watching to see which officers will be appointed to these positions.

If people are promoted from within the unit, the person who stands a good chance of being appointed deputy commander of the Special Warfare Command is

Maj Gen Khachon Ramanwong, the present commander of the 2d Special Forces Division (a member of Chulachomklao Royal Military Academy Class 5). If Maj Gen Khachon is appointed deputy commander, he will hold a position equivalent to that of Maj Gen Isaraphong Nunphakdi, or "Big Tui," the deputy commanding general of the 2d Army Area. There is also speculation about Maj Gen Wimon Wongwanit, the commander of the 1st King's Guard Infantry Division. He was transferred from the 1st Special Forces Division this last October. He became a general before his classmate, that is, Maj Gen Khachon Ramaneong. Some think that in the future, Maj Gen Wimon might return to the Red Berets as the commander of this unit instead of rising through the ranks in the 1st Army Area. Because it isn't necessary for the commander of the 1st King's Guard Infantry Division to rise through that chain. Maj Gen Isaraphong, for example, was made the deputy commanding general of the 2d Army Area after serving as the commander of the 1st Division. But if Maj Gen Khachon Ramanwong does become the deputy commander of this unit, it is unlikely that Maj Gen Wimon will return to the paratroopers.

Some think that Maj Gen Sanyawit Sirimonthon, the chief of staff of this unit, might be promoted to this position. But looking at the classes, Maj Gen Sanyawit is a member of CRMA Class 6 and so is junior to Maj Gen Khachon Ramanwong by one class. Also, he was promoted to major general 1 year after Maj Gen Khachon. Thus, based on several different factors and suitability, it seems more likely that Maj Gen Khachon Ramanwong will be promoted to this position.

If people are promoted from within the unit, the person most likely to be promoted to the position of deputy commander is Maj Gen Khachon Ramanwong, the commander of the 2d Special Forces Division. If he is promoted to this position, the person most likely to take his place as commander of the 2d Special Forces Division is Special Col Araphan Wattanawibun, the deputy commander of the 1st Special Forces Division, who is a member of CRMA Class 8, the same class as Maj Gen Wattana Sanphanit, the commander of that division. Another well-known paratrooper is Special Col Sorawit Phibunsin, or "Khwan," the deputy commander of the Special Warfare Center, who is a member of CRMA Class 7. He may replace Maj Gen Phayap Prachansen, a member of Army Preparatory School Class 5, who will retire in 1986. Within the Red Berets, it is likely that Special Col Araphan will be promoted to commander of the 2d Special Forces Division.

If Special Col Araphan, or "Poi," is appointed commander of the 2d Special Forces Division, Special Col Udom Ditsathabanchong, the second deputy commander of the division, will be made the first deputy commander. Special Col Wicha Siritham, the chief of staff of the 1st Special Forces Division, is the one most likely to be appointed second deputy commander in his place. If Special Col Udom is not appointed to this position, another likely candidate is Special Col Sorayut Chulanon, the commander of the 1st Special Forces Regiment, the "Pa Wai Paratroopers."

Others, however, think that someone from outside the special forces will be appointed third deputy commander of the Special Warfare Command. They think that the "senior officers" will appoint a "suitable" officer from the outside. One news source said that Maj Gen Wirot Saengsanit, the commander of the

AAA Division and a man in whom Gen Athit Kamlangek has great trust, will be appointed to this position. This would represent a promotion because this position, which is equivalent to the position of deputy army area commander, is higher than divisional commander.

Others think that while this position will go to an officer from within the unit, that is, Maj Gen Khachon Ramanwong from the 2d Special Forces Division, his replacement as commander of the 2d Special Forces Division will be an officer from outside the unit who used to be a paratrooper, that is, Special Col Charun Phunsanong, the deputy commander of the 9th Infantry Division at Kanchanaburi. Special Col Charun has twice missed being promoted to commander of the 9th Division and is a very suitable candidate for this position.

Because the Special Warfare Command will get another "general," it is almost certain that there will be a midyear, or April, military reshuffle. The transfers will have to be in line with the reshuffle, which could amount to more than just "appointing an additional officer." Lt Gen Sunthon Khongsomphong, the commander of the Special Warfare Command, may be one officer who is transferred at midyear in order to be promoted to full general. This would mean that the Special Warfare Command would get a new commander during the April reshuffle.

11943

CSO: 4207/106

THAILAND

FOREIGN MINISTRY: NO PROGRESS ON MALAYSIA FISHING DISPUTE

Bangkok THAI RAT in Thai 18 Nov 85 pp 1, 2

[Excerpt] Mr Pratchayathawi Tawethikun, the deputy director-general of the Information Department, Ministry of Foreign Affairs, talked with reporters at the Garden Hotel yesterday evening about the meeting between Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, and Tenku Ahmad Rithauddeen, the Malaysian minister of foreign affairs, who had come to Thailand to discuss several issues. In particular, because Thailand is a close friend, Malaysia wanted to learn Thailand's views on the coming trip to China by the Malaysian prime minister. Besides this, they also wanted to ask if Thailand had anything to pass on to China.

As for bilateral cooperation, Thailand and Malaysia will establish a joint organization in order to exploit the undersea resources in the border area. Thailand does not feel that much progress has been made in reaching an agreement on the joint use of the border economic waters zone. There are still several obstacles. In particular, oil drilling operations have not gone forward because of problems with some of the oil companies. Thus, we will proceed with oil drilling operations in other zones first. A joint team of experts will be formed to discuss matters and see what options are available.

As for the fishing problem, the director-general of the Information Department said that we are still negotiating. Thailand has received Malaysia's draft agreement on fishing. But Thailand feels that there are still problems. Some of the conditions, such as the repeal of the short-term treaty and the payment of compensation for losses, have made Thai investors wary. Thus, Thailand has submitted its own draft to Malaysia. The work teams of both sides will meet with each other next week.

Besides the fishing problem, there is also the joint vehicle parts investment project. Negotiations were held once before at Phuket when the prime ministers of the two countries met. Thailand wants additional details on the process involved and so no agreement has been reached on this.

11943
CSO: 4207/87

THAILAND

DEMONSTRATORS, GOVERNMENT CALL FOR SOVIETS TO LEAVE AFGHANISTAN

HK270750 Hong Kong AFP in English 0739 GMT 27 Dec 85

[Text] Bangkok, 27 Dec (AFP)--About 400 Moslems demonstrated outside the Soviet Embassy here on the sixth anniversary today of the Soviet military intervention in Afghanistan.

The demonstrators chanted "Soviets get out of Afghanistan" and "USSR, dictatorship" while carrying posters which read "USSR war animal" and "stop killing Moslems in Afghanistan".

A security force of about 50 police stopped the protestors from throwing posters onto the embassy grounds. There were no other disturbances and no one was arrested.

The demonstration was organized by the political activist group the Moslem Center of Thailand.

The group distributed a statement which condemned what it called the Soviet "attempt to systematically destroy the beliefs of Moslems by imposing the Soviet communist system (in Afghanistan) and by sending several thousand Afghan students to be brainwashed in the Soviet Union."

Some 200,000 Moslems live in Bangkok, capital of mainly Buddhist Thailand.

The Thai Government said in a statement on the sixth anniversary of the intervention that the continued Soviet military presence in Afghanistan "has caused instability in the region and forced more than four million Afghans to flee their homeland to seek refuge in neighboring countries.

"Hundreds of thousands of Afghans have also been killed or wounded in the fighting," the statement said.

Thailand called "for the immediate withdrawal of the foreign troops from Afghanistan and the creation of the necessary conditions for the Afghan refugees to return voluntarily to their homes in safety and honor."

It also called "for the Afghan people to determine their own form of government and to choose their economic political and social systems free from outside intervention, subversion, coercion or constraint of any kind whatsoever," the statement said.

THAILAND

ARMED VIETNAMESE REFUGEES HIJACK TRAWLERS

BK260159 Bangkok THE NATION in English 26 Dec 85 p 3

[Text] Songkhla--Armed Vietnamese have in separate incidents seized three Thai trawlers and forced their crew to take them to the south as refugees, according to the president of the Songkhla Fishing Association.

Khli Ruangsong did not say when the incidents happened but said each of the trawlers carried about 20 Vietnamese when they arrived in this southern province. He said the Vietnamese had no valuables on them unlike those who had arrived earlier.

Khli said he thought the Vietnamese were phony refugees and had conspired with Vietnamese soldiers to sail in small boats until they came across the Thai trawlers on the open sea.

Khli said Thai captains and crewmen of the trawlers were tied up in the stern while the armed Vietnamese steered the ships into Thai waters. He said they forced the Thai crewmen to report to Thai authorities that their small boats had been attacked and destroyed by pirates, and their women had been raped.

Khli said he was concerned because this was an international issue and Thai authorities would have trouble finding out what really happened at sea.

Some of the Vietnamese are in the custody of Songkhla police, according to Pol Col Phaibun Singwanit, the police chief of this province who added that during the past six months, 476 Vietnamese, 301 men and 175 women, had been rounded up for illegally entering the country.

Phaibun said 20 percent of them claimed to have been attacked by pirates at sea but could not give substantial evidence. However, the United Nations High Commissioner for Refugees (UNHCR), which has an office here, has been inclined to accept the Vietnamese version of events.

Meanwhile, Deputy Permanent Secretary of Interior Ministry Charoenchit Na Songkhla said in Bangkok that Thai people were not hired to take the Vietnamese into Songkhla as refugees.

Charoenchit said Thai fishermen met about 20 Vietnamese in their boats adrift at sea and took them ashore two months ago.

However, the Ministry of Interior ordered the governor of Songkhla to keep a close watch on the displaced Vietnamese who entered Thai waters by boats, he said.

According to UNHCR, 4,357 displaced Vietnamese arrived in Thailand since January to October 1985. For October in particular, 111 Vietnamese arrived, 91 by sea and 20 by land.

A source in Songkhla reported Charoenchit had recently ordered the governor of the province to refuse the immigration of 25 Vietnamese who landed at the oil rig of the Unocal Thailand Inc at Kra Island in Songkhla.

However, the source said three of them had managed to sneak into the province but police later arrested them while they were about to board a bus.

/9738

CSO: 4200/459

THAILAND

COURT CURTAILS CHAMOY CASE MEDIA REPORTING

Bangkok THAI RAT in Thai 13 Nov 85 pp 1, 2

[Excerpts] At the trial of Mrs Chamoy Thipso and the other seven defendants on charges of defrauding people and taking loans that defraud the people, the criminal court stepped up the proceedings and began questioning prosecution witnesses for the second time at 0930 hours on 12 November. The court refused to postpone the case.

Before calling witnesses, Mr Banyat Wisutthimak, the chief of Criminal Litigation Division 8, Department of Public Prosecutions, submitted an appeal to the court. He said that after witnesses for the prosecution were questioned the first time on 31 October, several newspapers published the names of the witnesses and discussed their testimony. Because of this, many of the prosecution's witnesses do not want to come and give testimony because they are ashamed of having been fooled. This harms the prosecution's case. Or if they do come to court, there is reason to believe that they will not disclose the full truth about the matter. Some of the prosecution witnesses to be called at a later time will name senior people in government circles. If their testimony is publicized, this could damage the reputations of the people named without their having a chance to defend themselves. This could mislead the people and lead to further turmoil. The disclosure of such material is not appropriate for the prosecution of the case or for protecting the public interest. Thus, he asked the court to issue an order forbidding anyone from disclosing the names of the witnesses or reporting on their testimony.

The court agreed with the prosecution and so it issued an order prohibiting the press and other members of the mass media from disclosing the names of prosecution witnesses or discussing their testimony. This is effective immediately.

11943
CSO: 4207/87

THAILAND

COLUMNIST WANTS SEPARATION OF POLITICS, TRADE WITH EAST

Bangkok DAILY NEWS in Thai 20 Nov 85 p 2

[Around the World column by Trairat: "Thailand's Way Out"]

[Text] This is a very difficult time in which to live. Why is Thailand's economy like this? This is the first time that we have been unable to sell our goods. And foreign goods are flooding our markets. Efforts have been made to get people to buy only Thai goods. But such efforts are like a fashion that quickly goes out of style. Foreign goods fill the markets.

We have not made a serious and resolute effort to solve the problems. I had a chance to visit China, North Korea, the Soviet Union and East European countries. From what people told me and from what I saw, it was clear that we have many potential markets if we can separate political-military matters from trade. We must stop being afraid of them. We must realize that our problems have not been caused by outsiders. If the country collapses, it will be because of evil people here. We don't have to be afraid of anyone. Other countries have many problems. When they see the problems here, no one will be interested. The communists in Thailand struggled for decades but achieved nothing. It's impossible to incite quarrels. The communists who are the most worrisome are the Chinese. They think like us, and there are many Chinese in Thailand. But everything has changed. China is becoming more capitalistic and is no longer interested in converting others to communism. It trades with countries all over the world now.

Obtaining new markets is something that must be done systematically. It's not a game. You can't talk with just a few people and then stop. Nothing can be achieved that way. That's just a waste of money. People here do not follow up on things; they are not really interested. Government officials just like to get their names in the news. The politicians are the same. I have been to many countries and learned the same thing everywhere. Our senior people negotiate with them, and they promise to help. But then we don't follow up on things and so don't benefit as we should. For example, others have promised to purchase goods from us and to negotiate various problems.

Chinese leaders are ready to cooperate with and support us on almost everything. But we have acted very slowly and so little has been achieved. Very few of our diplomatic officials in Beijing can speak the Chinese language.

We should engage much more in barter trade or counter trade. Take oil, for example. We could probably obtain oil from several countries in exchange for Thai goods. We could probably export large quantities of goods, particularly agricultural goods, this way. Foreign currency doesn't have to flow out of the country. We can sell our goods. It all depends on how resolute the people who go negotiate are. Commissions are large. Large sums are involved. Everyone wants to spend money to make purchases. If we bartered goods with the communist countries, our situation would improve greatly. Actually, the communist countries, such as China, North Korea and the east European countries, are important producers of machinery. We should use more of their goods. We wouldn't have to purchase so much from Japan. Our balance of trade would improve.

We should even purchase weapons from China and other countries that are not in the Soviet and American camps. The prices of these weapons are cheaper, and it is easier to purchase them. And what is important is that we could exchange Thai goods for them.

This is what I recommend, but I don't know if anyone will pay attention. Our country lacks sincere and resolute people. If we had many people like Chamlong [Maj Gen Chamlong Simuang], Thailand would be a great power.

11943

CSO: 4207/88

THAILAND

DR. SANOH, OTHERS DISCUSS ECONOMIC PROBLEMS

Bangkok DAILY NEWS in Thai 17 Nov 85 pp 1, 2

[Excerpt] Beginning at approximately 0830 hours on 16 November at the Ambassador Hotel, the Thammasat Association sponsored a seminar on the topic "Thailand's Economic Future: Bright or Dismal?" Attending the seminar were several well-known experts from the public and private sectors. Those attending included Dr Sanoh Unakun, the secretary-general of the Economic and Social Development Board, Mr Suthi Singsane, the deputy minister of finance, Dr Amnuai Wirawan, the managing director of Bangkok Bank, Mr Thapana Bunnak, the secretary of the Thai Chamber of Commerce, and Dr Chawalit Thanachanan, the deputy governor of the Bank of Thailand. Mr Kroekdiet Phphatseritham served as the moderator.

To open the debate, Dr Suthi Singsane took a neutral position, saying that Thailand's economic position has both strengths and weaknesses. One of the weaknesses is that trade and investments are dismal and exports have declined. The world economic situation has affected Thailand. The protectionist policies have had a particularly bad effect. As for the good aspect, the rather serious problems have forced the government to take resolute action. While the measures taken will manifest results in the long term, some results can already be seen. For example, the balance of trade deficit will decline approximately \$2.6 billion this year. However, the problem has not been fully solved because this has been a chronic problem. The measures implemented by the government, including the devaluation of the baht and the tax changes, will not begin to manifest real results for another 6 months or more.

"We know that we can't tie to many knots. Thus, officials are trying to take the middle road. This year, we are confident that the economy will grow 4 to 5 percent if everyone cooperates. Even though things will not improve too much next year, I feel sure that there will be more opportunities for increasing production investments next year."

Dr Sanoh Unakun, the next speaker, said that the present situation is very dismal and volatile. Some sectors are too weak to be able to adjust. There are too many factors that are outside our control.

Dr Sanoh electrified people when he suggested reducing the budget deficit and saving money by reducing the military's weapons procurement budget. Dr Sanoh

said that the military must be made to understand that everyone is patriotic and wants the country to be secure. But it must be admitted that we just cannot afford to invest such huge sums of money at a time when the country is experiencing serious monetary and financial problems. "I want to repeat that patriotism means helping the country to survive. National survival does not depend only on having weapons. There must also be economic security. If we are not careful and the debt builds up, we may find ourselves in the same situation as the Philippines. We could go bankrupt. If things reached that point, the country would not survive."

Dr Sanoh discussed ways for the country to earn export revenues at a time when international trade is depressed and countries are implementing protectionist policies. He said that we should adjust our international trade policy and use a "mosquito strategy." That is, we should disperse and engage in trade everywhere. We will have a greater chance of succeeding even if we do meet with failure in some places. We must also ensure that our products meet certain standards. "Japan has opened markets for 1,800 different types of goods from abroad. Fewer than 50 of Thailand's goods meet the standards. This has prevented us from taking advantage of this opportunity."

Mr Amnuai Wirawan, the next speaker, said that 1986 will be a twilight period. This will be a dark and dangerous period. Leaders in both the public and private sectors must be diligent, frugal and honest, and they must coordinate things with each other.

11943

CSO: 4207/88

THAILAND

CENTRAL BANK GIVES ECONOMIC FORECAST FOR 1986

BK200309 Bangkok BANGKOK POST in English 20 Dec 85 p 21

[Text] Despite the projection that the fluctuation in the global economy will remain, the Bank of Thailand forecasts that there are signs indicating that the country's economy will not be any worse than this year.

In an official forecast, Governor Kamchon Sathirakun said the growth rate of the country's economy in 1986 will be 4.2 percent, down slightly from this year's predicted rate of 4.4 percent.

Mr Kamchon said that although there are signs of improvement in the country's economy, cautious measures will still have to be taken.

"The government itself will have to continue its belt-tightening policy, because its revenue will not increase significantly. The government's fiscal position will not be stimulating the economy," he said.

Mr Kamchon stressed that the private sector will play the leading role in spurring the economy "because they know where and into what investments should go."

The 4.2 percent growth rate forecast by the Bank of Thailand is rather optimistic. Some institutes, such as the Thailand Development Research Institute, predicted a growth rate of only 3.2 percent.

To this, the bank's Economic Research Department Director Wichit Suphinit replied, on behalf of Mr Kamchon, that the forecasts by the Bank of Thailand and other institutes were based on different assumptions.

"Our assumptions, in particular those concerning international trade, were based on the forecast of world-recognized institutes," Mr Wichit said.

Of the predicted growth, Mr Kamchon said production in the agricultural sector will rise by 2 percent, while the non-agricultural sectors will have a growth of 4.9 percent. He also said the inflation rate will be around 3.5 percent, up from this year's 2.4 percent.

Although it is predicted that the country's economy will improve next year, or at least will not get worse, there are signs that the global economy will stabilize. "But we must still plan on the projection that the fluctuation in the world will remain," he said.

The government, he noted, may have to tighten some measures while easing others.

There are three main problems that have to be solved for next year, Mr Kamchon said.

The first is due to global fluctuation "which will inevitably affect us."

The second problem is the local fundamental economic structure. "We will have to plug some holes," he said.

The third, he said, is the government's policy which must help to promote the private sector.

"The government's policy in the new year will emphasize the increase of demand in the private sector. This will include a reduction of personal income and corporate taxes, as well as the Government's expenditure," he said, adding that it must be admitted that it is impossible to have a growth rate of about 7 percent as in the past.

Details of the Bank of Thailand's official forecasts are:

--Production: It is expected that the growth rate of the agricultural sector will be 2 percent, compared to the rates of 4.1 percent and 3.9 percent in 1983 and 1984, respectively.

Production of most major crops will drop, while some less important produce, such as cotton, vegetables and fruit, will increase.

Production of livestock and fish will decline slightly as the exports of pigs and chicken to Singapore and Japan will be still good.

Production in the non-agricultural sector will have a growth of 4.9 percent, up from the rate of 4.6 percent this year.

The sectors of industry, commerce, banking and services tend to improve, in particular the industry with agricultural raw materials, such as the sugar industry, canned pineapples, and jute and wood products.

Some industries, those for the domestic market, are expected to improve too. They include soft drinks and household appliances.

Production in the mining industry will continue to drop, while the construction industry will still not recover from the cut of the government and state enterprise budgets.

Price level: Commodity prices in the world market show no sign of improvement, although oil prices seem to be going down further still. The situation is not right for an adjustment of minimum wages, therefore, the consumer price index will not exceed 3.5 percent, partly due to the adjustment of prices because of higher costs.

--Expenditure: Expenditures in the private sector will improve, including those for consumption and investment, and this will be the result of actual higher income and a lower actual interest rate.

The investment in exports will have good potential, particularly the export of new products.

As for the government's expenditure, projects which are not urgent, or with low return rates, will be postponed or cancelled, so that the country will not have to bear a higher debt burden.

--Trade and foreign exchange settlement: In 1986, the general atmosphere in international trading will be better, although exports of major crops will not be very good during the first half of the year.

However, the volume of export is expected to rise. Industrial products, except tin, will increase because of Thailand's higher competitiveness and the lowering of protectionist measures.

In general, exports will increase by around 7 percent.

In imports, it is expected that the value will increase by 5 percent, compared to the 5.5 percent of 1985. But the value of imported oil will be lower than this year.

Deficits in the trade balance and the current account will be close to this year's figures, which will be able 65,600 million and 43,100 million baht respectively.

However, the net capital transfer will sharply decrease, as the government has set a ceiling for foreign borrowings at US\$1,000 million.

--Fiscal position: The government's fiscal position is not expected to improve.

Although the government will implement its austerity policy, the economic slump and low inflation will cause the government's tax collection to increase only at a low rate, which will result in a huge cash deficit in the government's coffers.

/9738

CSO: 4200/459

THAILAND

BANKRUPTCY SUIT FILED AGAINST CHIT FUND LEADER

BK250320 Bangkok THE NATION in English 25 Dec 85 p 5

[Text] The public prosecutor yesterday filed a bankruptcy suit against Mrs Chamoi Thipso who is on trial for violating the royal decree banning chit funds.

The prosecutor said in the lawsuit filed in Civil Court that Mrs Chamoi, the alleged operator of a major chit fund, is unable to repay debts of more than 4,500 million baht to her clients.

He said authorities had seized her assets but they were not enough to pay off the debts.

Mrs Chamoi and seven of her associates have been on trial since 31 October for allegedly running a chit fund in violation of the royal decree.

The prosecutor accused Mrs Chamoi and her associates of deceiving the public to invest in the chit fund which was disguised as an oil business venture. The accused lent out money invested by their clients in the chit fund.

The prosecutor said that in March this year, the accused refused to pay the interest promised to clients. They also hid their assets and used the cash to buy land, valuables and other property, according to the lawsuit.

The prosecutor said Mrs Chamoi is heavily indebted and is unable to repay the 4,554,582,440 baht owed to 16,231 clients.

The prosecutor asked the court to place all of Mrs Chamoi's assets under receivership and declare her insolvent. The court accepted the lawsuit for further deliberation.

The Criminal Court last week dismissed charges of cheque abuse against Mrs Chamoi whose trial has been adjourned to January. The court said hearings will be held every Tuesday and Thursday to speed up the trial.

/9738
CSO: 4200/459

THAILAND

EDITORIAL BACKS CHANGES IN BANK LAW

Bangkok DAILY NEWS in Thai 20 Nov 85 p 3

[Editorial: "Controlling the Financial Institutions"]

[Text] The Ministry of Finance wants to revise the law so that it will have greater power in supervising the activities of the commercial banks and the securities and credit foncier institutions. It also wants to establish a fund to help financial institutions that encounter problems. This will be called the Fund to Revive and Develop the System of Financial Institutions. This was drafted as a royal regulation and submitted to the cabinet once before. But the matter was tabled because certain ministers and others concerned felt that this regulation was inappropriate and should not be approved as a royal regulation. They felt that it should be submitted as a royal act so that parliament would have a chance to discuss the matter. They did not feel that this was an urgent matter. Thus, the prime minister tabled the matter and appointed certain ministers to consider the matter before submitting it to the cabinet again.

The ministers appointed to consider the matter revised certain sections of this draft law and submitted it to the cabinet again at last week's cabinet meeting. The cabinet approved this as a royal regulation.

The royal regulation to revise the commercial banking law and the laws on finance, securities and credit foncier activities will give the Bank of Thailand greater powers in supervising these activities. In short, this will prevent the directors of these banks and financial institutions from using bank money to profit personally or to benefit friends. Besides the fact that these people will be required to submit reports to the governor of the Bank of Thailand, auditors will have the authority to investigate matters and examine documents and accounts.

In particular, one provision gives the governor of the Bank of Thailand the authority to order financial institutions to change board members and executives. He can also order them to increase their capital. Besides this, he also has the right to ask the police to forbid executives of financial institutions who have acted improperly from leaving the country.

In short, the purpose of this law is to prevent what happened before, which was harmful to the people, from happening again and to formulate measures to prevent the financial institutions from experiencing problems that could be harmful to the country and people.

The purpose in revising the Bank of Thailand Law is to establish a fund that can be used to support ailing financial institutions and keep them from going out of business so that the government or the Bank of Thailand does not have to step in and solve the problems or inject money as in the past.

Even though the government is late in issuing this law, which is being issued as a royal regulation, it should help prevent and solve problems concerning the financial institutions, which are of great importance to the country's economic activities. However, the fact that the government issued this as a royal regulation, claiming that this was urgent, leads us to believe that something may have happened that requires it to use this regulation and that it could not wait for parliament to pass this as a royal act.

11943

CSO: 4207/87

THAILAND

PREM DISCUSSES RICE PRICE SUPPORT SCHEME

Bangkok THAI RAT in Thai 19 Nov 85 p 9

[Special Interview column; remarks by Gen Prem Tinsulanon, the prime minister, during the provincial governors' conference at the Government House on 14 November 1985]

[Text] "The farmers have an important role to play in maintaining the position of the state. If the farmers are in trouble, we must do everything possible to improve their situation. We are making a sincere effort to solve the farmers' problems. But this does not mean that we will ignore the slums in the cities.

"Ever since I became prime minister, we have placed great emphasis on rural development. We have tried to eliminate rural poverty and improve the standard of living of rural people. We have implemented a policy to raise the price of paddy for this year's annual wet rice crop only. Economists might misunderstand and think that this is a permanent policy.

"Actually, we still have confidence in the market mechanism. Free competition can solve both the domestic and foreign trade problems. But because free trade this year has not made it possible to raise paddy prices and increase the incomes of the farmers, we had to implement a policy to raise paddy prices so that the producers would receive a fair price. Again, I want to emphasize that this policy will be used this year only. This is not a permanent policy.

"I am very confident that if all sides cooperate, the policy of raising paddy prices this year will score results. If the farmers, rice mills, government officials and commercial banks all try to help the farmers profit, this policy will achieve results.

"There are many people who support the 1985/1986 paddy price support policy. But there are also many who do not approve of this policy. This is because this is something new. However, I am confident that this policy will achieve results if everyone makes an effort and cooperates in solving the problems. The rice mills, rice exporters and commercial banks must all cooperate. The government knows that a free trade policy, that is, allowing the market mechanism to act without interference, is the best policy in theory. But in the present situation, we can't do things that way. We have to find a way to provide help.

"I think that the success of the 1985/1986 paddy price support policy depends on several factors. First is how committed people are to working for the benefit of the farmers. I know that all the provincial governors work very hard and that they are sometimes criticized unfairly. This will be another difficult period.

"I am sure that everyone is willing to work hard and that they are ready to work hard. I am sure that everyone here is ready to work hard on behalf of the people. If all of us do our utmost and things still do not improve, the people will understand why this policy did not achieve results. But we will first have to make a great effort on behalf of the people.

"The central government is prepared to work very hard to implement the paddy price support policy so that results are achieved. We are ready to accept criticism along with the provincial governors if this policy fails. We are ready to help in every way possible if you [the provincial governors] need our help.

"However, I want to warn those government officials who are corrupt and who are unwilling to make sacrifices. The provincial governors must deal with these people. Those who cheat people must be put in prison. Those who neglect their duties should be censured. In raising annual wet rice paddy prices this year, public relations activities should be carried on widely so that the people know about and understand this.

"Personally, I am not worried about any of you. We have selected good provincial governors. But I can't help worrying about the work apparatus, civil servants, merchants and rice mills.

11943

CSO: 4207/87

THAILAND

NATURAL GAS EXPLOITATION PLANS DISCUSSED

Bangkok DAILY NEWS in Thai 18 Nov 85 p 20

[Unattributed report: "Accelerate the Development of the Gas in the Gulf of Thailand"]

[Text] Mr Thammachat Wiriwattanakun, the deputy secretary general of the National Energy Authority, said that the development of the natural gas in the Gulf of Thailand will have to continue. The government has formulated gas development plans in order to use the gas that is discovered in the Gulf of Thailand as a fuel and as a raw material in industry. Gas from new sources, such as the Pla Thong, Pla Daeng, Banphot and Satun wells, will be exploited. Based on the plans, three gas pipelines will be laid from the new wells and connected to the existing concessionary gas pipelines in the sea. The first project is to lay a pipeline from the Pla Thong well to the concessionary pipeline. This pipeline will be 37 km long. A station to increase pressure will be built at Maptaphut. A sea platform will be built at the point where the pipelines connect in order to increase pressure in pumping gas into the pipeline. The second project is to lay a pipeline from the gas well of the Texas Pacific Company to the concessionary pipeline. This pipeline will be 170 km long. The third project is to lay a pipeline from the production site at sea to a spot on shore in Nakhon Sithammarat Province, that is, to the Khanom Power Plant, in order to supply natural gas to the Khanom Power Plant.

The deputy secretary general of the National Energy Authority also discussed the development of on-shore gas. He said that at present, this is being carried on at only one site, that is, the Sirikit oil site, or Lan Krabu site, in Kamphaengphet Province. The gas obtained from the Sirikit site is a by-product from the crude oil. It is being used as a fuel to generate electricity. We have obtained 22 million cubic feet. Besides this, natural gas has been discovered in Nam Phong and Chonnabot in Khon Kaen Province. Surveys are being done to determine the amount of gas reserves at these two sites. It must be determined whether there is sufficient gas for commercial purposes before action is taken to develop the gas.

11943

CSO: 4207/87

THAILAND

BRIEFS

REAGAN VETOS TEXTILE BILL--Prime Minister Gen Prem Tinsulanon has thanked U.S. President Ronald Reagan for his veto of the bill that sought to curb imports of textiles and apparel into the U.S., government spokesman Trairong Suwankhiri said yesterday. Trairong said Premier Prem told the Council of Economic Ministers during their weekly meeting yesterday that he had sent President Reagan a letter to express gratitude for his action. "The premier stressed in the letter that the U.S. Government under the leadership of President Reagan has once again demonstrated its friendship toward Thailand and other countries in Asia," Trairong said. Gen Prem on 17 September sent a letter to President Reagan urging him to consider the impact of the Jenkins Bill on the economy of developing countries. Reagan on 10 October promised in a reply letter that he would try his best to make international trade as fair and free as possible. [Text] [Bangkok THE NATION in English 24 Dec 85 p 1 BK] /9738

TALKS ON TRADE PROTOCOL--Thailand and PRC have begun their 1-week talks that will lead to a conclusion of a bilateral trade agreement and the signing of a protocol on investment cooperation. Heading the Thai trade subcommittee at the meeting is Deputy Director General of the Department of Foreign Trade Chatchawan Sukitchawanit, while the [word indistinct] subcommittee is headed by Director General of the Department of Economic Affairs Danai Dulalampha. Thailand is expected to propose trade items similar to last year, including rice, tobacco, mung beans, sugar, synthetics, sewing equipment, fishmeal, and glass sheets. China is expected to offer to sell diesel oil. Thailand is expected to have a trade surplus with China this year. The actual trade figures are expected to meet the target set earlier for 1985. Investment by Thai firms in China includes fish stuff and glass sheet. The current meeting will run until 30 December. [Text] [Bangkok Domestic Service in English 0000 GMT 26 Dec 85] /9738

EEC, TAPIOCA EXPORT AGREEMENT--Thailand has decided to terminate the present agreement on tapioca export to the European Economic Community. The decision was made during the Council of Economic Ministers' meeting on Monday [23 Dec]. Under the present agreement scheduled to expire at the end of next year, the maximum annual export quota of tapioca pellets from Thailand to the EEC has been set at 4.5 million tons annually. The meeting also discussed whether a proposed new quota of 21 million tons in 4 years

is adequate. The proposed new quota is contained in a memorandum of understanding and a protocol which Commerce Minister Koson Krairoek and the vice president of EEC commission signed in Brussels early this month. If ratified, the protocol will replace the present agreement. However, without the denunciation of the present agreement before the end of this year, the agreement will also automatically be extended for another three years. [Text] [Bangkok Domestic Service in English 0000 GMT 25 Dec 85] /9738

POLICEMAN INJURED IN CLASH--Nan--A Thai border patrol policeman was wounded in a clash with Laotian troops who intruded into Huai Rao Village in Chiang Klang District of this northern province last night, a police source said this morning. The source said about 20 Laotian troops opened fire at the 524 patrol unit headquarters about 11:30 p.m., sparking off a 30-minute gunbattle with the Thai border patrol policemen. Pol Pvt Singthong Chakbu was hit by rocket shrapnel during the clash and rushed to a field hospital for treatment. [Text] [Bangkok BANGKOK WORLD in English 26 Dec 85 p 3 BK] /9738

PRINCE, 3D ARMY CHIEF--Lt Gen Ruamsak Chaikomin, the commanding general of the 3d Army Area, is a native of Kanchanaburi who says that he has retained the "accent and tone of voice" of a person from Kanchanaburi. The Crown Prince has honored him by visiting on several occasions. The home of Lt Gen Ruamsak is located on a small street in Kanchanaburi City. It is like most other rural houses. It was built several decades ago. While it is not a large house, it is very pleasant there because of all the plants. The owner loves plants and trees. The Crown prince has visited here on four previous occasions. He paid his fifth visit on 28 November when he came to open the Khwae River Bridge Festival. He had dinner at the house of Lt Gen Ruamsak. On his four previous visits, the Crown Prince was very casual and friendly. He said, that "coming here always makes me feel good." [Text] [Bangkok LAK THAI in Thai 21 Nov 85 p 6] 11943

TRADE TALKS VISIT ENDS--At the Bangkok airport this afternoon, Deputy Prime Minister Bhichai Rattakul bade farewell to ROK Deputy Premier Sin Pyong-Hyon at the end of his visit to hold trade talks with his Thai counterpart. The ROK deputy premier granted an interview at the airport during which he said his visit had helped to strengthen bilateral relations. He said he discussed the expansion of trade with Thailand, including trade in corn, rice, tapioca products, canned pineapple, and other items. Korea was interested in investing in Thailand's Eastern Seaboard Development Project. [Text] [Bangkok Domestic Television Service in Thai 1300 GMT 19 Dec 85 BK] /12712

CSO: 4207/110

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK REPORTS SIHANOUK RECEPTION FOR ZHAO ZIYANG

BK201045 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
19 Dec 85

[Text] On the evening of 17 December, Samdech Norodom Sihanouk and his wife hosted a cordial reception in honor of His Excellency Prime Minister Zhao Ziyang at his residence in Beijing. Attending this reception, among Chinese honored guests, were His Excellency Zhao Ziyang, chairman of the Chinese State Council, His Excellency Ngapoi Ngawang Jigme, vice chairman of the National People's Congress Standing Committee; His Excellency Han Nianlong, director of the Chinese People's Institute for Foreign Policy, and his wife; His Excellency Liu Shuqing, deputy foreign minister, and his wife; His Excellency (Su Shen), deputy chief of staff of the People's Liberation Army; and many other Chinese personalities.

At this reception, the samdech president of Democratic Kampuchea made a speech expressing admiration and moving gratitude to His Excellency Zhao Ziyang for his efforts both inside and outside the country to defend the just cause of the Cambodian people and Democratic Kampuchea with staunch generosity and efficiency. Afterward, the samdech said the great and complete victory scored by the Democratic Kampuchean delegation led by the samdech himself, Prime Minister Son Sann, and Vice President Khieu Samphan during the official visit to the glorious PRC was the result of the high attention, the warm welcome with high political significance, the solemn declaration of the fine and indestructible solidarity, and the full support for the just cause of the resolute struggle of the Cambodian people for national liberation of His Excellencies Chairman Deng Xiaoping, His Excellency General Secretary Hu Yaobang, His Excellency President Li Xiannian, His Excellency Premier Zhao Ziyang, and the entire PRC. The samdech said the solemn declaration of the incomparable solidarity and support has drawn the attention of the entire world and has profoundly touched the Cambodian people and combatants on the battlefield and made them very happy.

The samdech said the fine result of the official visit to the PRC by the Democratic Kampuchean delegation will have a good influence on strengthening the CGDK position in the international arena and on the development and progress of the Cambodian people's armed struggle against the Vietnamese colonialist and aggressor forces. The samdech said whatever the Vietnamese

colonialists are doing in Cambodia and whatever their maneuvers in the future, the unjust and arrogant Vietnamese will certainly not defeat the heroic Cambodian combatants. They will not be able to break the Cambodian people who firmly support the CGDK. They certainly cannot annex Cambodia. The samdech continued: The tripartite CGDK -- set up since 1982 -- will continue to unite and not just for a few years. The three nationalist groups will continue to be united always and strengthen unity and fraternal solidarity among themselves. They will continue to struggle relentlessly and uncompromisingly, and if necessary for the next 5 or 10 years, or longer, until the SRV agrees with us and implements the just UN resolutions on the Cambodian issue. Finally, on behalf of Democratic Kampuchea, the samdech expressed profound and forever lasting gratitude to the glorious PRC, the renowned Chinese leaders, the influential Chinese Communist Party, the noble Chinese Government, the glorious Chinese People's Liberation Army, and the great and courageous Chinese people for firmly and constantly supporting the Cambodian's people's just struggle against the Vietnamese aggressors.

Afterward, Premier Zhao Ziyang gave a return speech. After thanking the samdech and his wife for hosting this cordial reception in his honor, Zhao Ziyang said the samdech has led the Democratic Kampuchean delegation to pay a fully successful official friendship visit to the PRC. This visit is a new contribution to strengthening the militant solidarity among the three Cambodian nationalist groups and the traditional friendship which binds the Chinese and Cambodian peoples. This will have a good influence on the great struggle of the Cambodian people against the Vietnamese aggressors for national salvation. After praising the patriotic spirit of the samdech, Premier Zhao Ziyang continued: Under the samdech's leadership, the Cambodian armed forces and people have valiantly fought with high heroism and sacrifice against Vietnam's armed aggression and have received admiration from the entire international community. The Cambodian people's struggle against Vietnam's aggression for national salvation is an important part of the great struggle of people the world over against hegemonism to defend world peace. Justice is on the Cambodian people's side. People in the world have sympathy and provide support to the Cambodian people, who have a glorious fighting tradition and who cannot be broken. The Cambodian people unite and are tenacious and persistent in their struggle against Vietnam's aggression for national salvation and will certainly win in the end. Premier Zhao Ziyang concluded by saying that like before, the Chinese Government and people will continue to firmly and unswervingly support the Cambodian people's just struggle, and if necessary for another 5, 10, or 100 years, until the Cambodian people win complete victory. He expressed the conviction that an independent, peaceful, neutral, and nonaligned Cambodia will certainly emerge in Southeast Asia and the fraternal friendship between the Chinese and Cambodian people will be further strengthened and expanded in the common struggle against aggression to defend justice.

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN'S CONDOLENCES ON ROMULO'S DEATH

BK190946 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 17 Dec 85.

[Text of 16 December "message of condolences from Khieu Samphan, Democratic Kampuchean vice president for foreign affairs, to Pacifico Castro, acting foreign ministers of the republic of the Philippines"]

[Text] Your Excellency:

I have heard with great sorrow and grief about the death of his Excellency Carlos Romulo at the age of 86.

During the long period when he successfully fulfilled his duty as the foreign minister of the Republic of the Philippines and a co-founder of the United Nations, His Excellency Carlos Romulo played a significant role in demanding the independence for his fatherland. Moreover, His Excellency Romulo had also supported the just cause of the oppressed people in the world and had particularly sided with the Cambodian people in their struggle against the Vietnamese aggression and occupation of Cambodia.

On this grievous occasion, on behalf of the people and the CGDK and in my own name, I would like to express my great grief and to join with you and the Philippine Government and people in mourning this death. The death of His Excellency Carlos Romulo is a great loss not only to the people of the Republic of the Philippines but also to the Cambodian people and other peoples in the world.

I bow my head in paying homage to the late excellency. Please convey my sincere condolences to the bereaved family.

Please accept my highest regards.

[Dated] Democratic Kampuchea, 16 December 1985

[Signed] Khieu Sampha, Democratic Kampuchean vice president in charge of foreign affairs.

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK: SIHANOUK CONDOLENCES ON DEATH OF ROMULO

BK201206 (Clandestine) Voice of Democratic Kampuchea in Cambodian
2330 GMT 20 Dec 85

[Text] To Mrs Carlos Romul, Manila, the Philippines: Today, my wife and I are very sad to hear about the death of your beloved husband, His Excellency General Carlos Romulo -- our beloved brother and the great friend of Cambodia.

On this grievous occasion, we would like to express to you and the family of the famous deceased our mournful emotion and condolences.

Through me, the CGDK would like also to extend most mournful condolences to you and the Government of the republic of the Philippines. The Cambodian people and I would like to join with the fraternal Philippine people and world's people in paying profound respects to the famous deceased, whose name will be inscribed in gold letters in the history of the Philippines and that of the world as a great patriot, a true hero of freedom, a great statesman who has served his country and people and the United Nations through his famous duty, and a father who has served all mankind.

Madame, please accept my heartfelt regards and lofty salutation.

[Signed] Norodom Sihanouk, president of Democratic Kampuchea

Beijing, 16 December 1985

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

THAI DAILY SAYS KPNLF SPOKESMAN DIED ON PRC VISIT

BK220130 Bangkok THE NATION in English 22 Dec 85 p 2

[Text] The "take-over" in the Khmer People's National Liberation Front (KPNLF) last week was not the only blow to Son Sannians this month. Before that, they were hit by the abrupt death of their spokesman.

The spokesman, Pen Thal, died in Peking early this month upon arrival at a get-together of the three top leaders of the Coalition Government of Democratic Kampuchea (CGDK).

Pen Thal was accompanying Son Sann, the KPNLF president and the CGDK prime minister, who was meeting with CGDK President Prince Norodom Sihanouk, also president of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] movement; and Khieu Samphan, president of the Khmer Rouge and CGDK vice president. The three coalition leaders were there to meet Chinese leaders on the eve of an expected Vietnamese dry-season offensive against the resistance in Kampuchea.

Bunsay, a Son Sannian, told THE NATION that Pen Thal fell down in the aircraft and was rushed to hospital for an operation. But the operation was unsuccessful and doctors said he died of hemorrhage, according to Pen Thal. [as published]

"You know, with the passing-away of Mr Pen Thal and the things that happened a couple of days ago....," he said.

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CSO: 4200/456

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

CAMBODIA'S SIHANOUK ARRIVES IN HONG KONG FOR VISIT

HK230420 Hong Kong HONG KONG STANDARD in English 23 Dec 85 p 5

[Text] Prince Norodom Sihanouk arrived in Hong Kong on a surprise visit yesterday at the invitation of some local Cambodian businessmen.

He and his wife were greeted by local Chinese and ASEAN representatives at the airport.

Southeast Asian diplomats here said he arrived from China on a private visit for about 10 days.

Prince Sihanouk came amid reports of turmoil in one faction of his tripartite coalition government. But, he said, despite internal problems in Cambodian leader Son Sann's group, the coalition was united in fighting the Vietnamese troops.

He also praised Britain, China and the ASEAN countries for their consistent support for his coalition since 1979.

Prince Sihanouk recently visited Cambodian refugees in the United States, Europe, Australia and New Zealand. He said he wanted to forge closer links with the local Cambodian community here.

"Recently, our fighters are situated all around Phnom Penh, not far away from the capital. They are everywhere in our provinces attacking the Vietnamese troops. So Vietnam has to send in more and more troops into Cambodia," he said.

Meanwhile, the leaders of the Khmer People's National Liberation Front, said yesterday they remained in control of the group despite a splinter group's claim of a takeover."

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CSO: 4200/456

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VOK COMMENTARY ON FAILURE OF SRV'S DEFENSE PLAN

BK200921 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 19 Dec 85

[Political commentary: "Failure of Vietnam's A-5 Policy"]

[Text] Since their invasion into and occupation of Cambodia at the beginning of 1979, the Vietnamese leaders have sought every means and set measures for implementation by the Vietnamese puppet regime in Phnom Penh in an attempt to fulfill their design to totally exterminate the Cambodian race.

At the beginning of 1985, the Vietnamese have set another plan for implementation by the Heng Samrin regime. This is called the A-5 plan. It is aimed particularly at successfully building a defense line along the Cambodian-Thai border in order to prevent the Cambodian resistance forces from crossing the border into the country, facilitate the sweep operations against the bases of the Cambodian resistance forces along the border, and infiltrate agents -- including women -- to seek information from the resistance groups. Wtopam and the Heng Samrin regime have not publicized this plan among the Cambodian citizens. They only ordered the important cadres of the Heng Samrin regime in various provinces to secretly implement this plan. This is why during the first stage, that is at the beginning of 1985, we saw that Vietnam launched successive large-scale offensives against various bases of the CGDK's resistance forces with an aim of totally sweeping up the Cambodian resistance movements. But, Vietnam could not fulfill this dream. It could not smash the Cambodian resistance forces once and for all as expected. On the contrary, the Vietnamese offensive against bases of the Cambodian resistance forces was just like hitting a wasp's nest. This means that after the Vietnamese attacked their bases, the Cambodian resistance forces divided themselves into small groups and infiltrated deep inside the country to launch vigorous activities against the Vietnamese, thus causing more serious difficulties to the Vietnamese.

In the second stage, the Vietnamese have forcibly mobilized thousands and even tens of thousands of Cambodian citizens from various provinces and sent them to the western border of the country to clear brush, build dikes, and erect fences to seal off the border in order to prevent the Cambodian resistance forces from entering the interior of the country. Due to this mobilization, the Cambodian citizens have suffered from various diseases such as diarrhea and malaria or from chronic illnesses due to lack of medicine. Some others were killed or maimed by landmines.

The Vietnamese have not paid attention to these sufferings of our Cambodian citizens. On the contrary, they have continued to force the Cambodian people to clear brush and build fences along the border. However, no matter how hard they will try further, the Vietnamese will never be able to realize their plan. This is because they have to contend with nibble attacks by our Cambodian resistance forces in addition to suffering from malaria and disturbances caused by the Cambodian citizens who are unhappy with the Vietnamese forcing them to work at the border.

A few weeks ago, many leaflets were seen in Phnom Penh. The leaflets noted that the forcible mobilization of the Cambodian citizens to work at the border is the most barbarous and cruel policy. An official among the high-ranking officials of the Heng Samrin regime who attended a high-ranking meeting with the Vietnamese revealed that the Vietnamese are beginning to worry about the anger of the Cambodian citizens who are unhappy with and have reacted to the Vietnamese mobilization of Cambodian citizens to work at the border. He said that the Vietnamese are considering whether to give up this plan. The Vietnamese official newspaper NHAN DAN has also admitted that the Vietnamese forces and the Cambodian civilians who have been forced to work at the border in an attempt to seal off the Cambodian-Thai border have encountered many difficulties, particularly from the nibble attacks by the Cambodian resistance forces and a new type of malaria which cannot be cured by medicines produced in Cambodia. The Cambodian citizens are afraid of this disease more than the Vietnamese. NHAN DAN also stated that the Cambodian resistance forces have often launched attacks in the border areas where the fences are being built. During daytime, the resistance forces hide themselves in the woods or mingle among the people and at night they come out and plant mines on the roads. A recent report from Hanoi revealed that Vietnam has admitted its failure regarding its attempt to seal off the Cambodian-Thai border. Out of the total length of 720 km, the Vietnamese have so far been able to build a border defense line of only 100 km. Vietnam has also admitted that the border fences are made up of nothing but poles and minefields. Such a fence cannot prevent the Cambodian resistance forces from crossing the border into Cambodia. Therefore, it can be said that the Vietnamese have suffered total failure in this A-5 plan. The plan has given the Vietnamese so much difficulties due to opposition by the Cambodian citizens. If all Cambodian citizens oppose this plan, refuse to work at the Vietnamese's order, and turn to join hands with the resistance forces, the Vietnamese will certainly be compelled to give up this A-5 plan. Finally, the Vietnamese will not be able to occupy Cambodia.

/12624

CSO: 4212-37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK COMMENTARY ON METHOD OF ATTACKING VIETNAMESE

BK210716 (Clandestine) Voice of Democratic Kampuchea in Cambodian
2330 GMT 20 Dec 85

[Station commentary: "During this 8th Dry Season Our National Army and Guerrillas Will Pay Close Attention to Dispersing and Annihilating the Commune and Village Administrations of the Vietnamese Enemy and Releasing the Cambodian Soldiers Forcibly Drafted by the Vietnamese Aggressors"]

[Text] The 8th dry season has started and we are almost in the 3d month of this season. Our National Army and guerrillas throughout the country have continued to attack the Vietnamese aggressors through the five new methods with great vigor, ingenuity, and constant initiative since the rainy season. During this 8th dry season, our National Army and guerrillas have paid particular attention to the first and second methods in their attacks against the Vietnamese enemy aggressors; namely, they have been very successful in dispersing and annihilating the commune and village administrations of the Vietnamese aggressors and releasing the Cambodian soldiers forcibly drafted by the Vietnamese aggressors to serve their war of aggression.

According to reports received from all battlefields throughout the country, during the more than 2 months at the beginning of the 8th dry season, that is, from October to mid-December, our National Army and guerrillas dispersed or annihilated the Vietnamese administrative apparatuses in more than 107 communes and liberated more than 160 villages from the battlefields in the interior of the country, including various districts adjacent to Phnom Penh. After dispersing and annihilating the Vietnamese commune and village administrations, our National Army usually met and had talks with the fraternal administrators and militiamen forcibly appointed by the Vietnamese to serve them, discussing the policy that Cambodians must not attack fellow Cambodians and Cambodians must unite against the Vietnamese aggressors to preserve the Cambodian nation and race. After the talks, we allowed the brothers to return to their home. This brought satisfaction and elation to our people who have been living in the zone controlled by the Vietnamese aggressors and who have suffered boundlessly from the savage and brutal domination, oppression, persecution, arrest, and massacre of the Vietnamese aggressor regime for the past more than 7 years. This campaign to disperse and annihilate the Vietnamese enemy aggressors' commune and village administrative apparatuses everywhere in the country is of strategic importance.

First, dispersing and annihilating the Vietnamese enemy aggressors' administrations in the communes and villages means cutting their food supplies at the roots, disabling them from looting rice and grains from our people to feed their troops.

Second, in so doing, we have hit the Cambodianization policy [of recruiting Cambodians to fight Cambodians] of the Vietnamese enemy aggressors, preventing them from drafting our youths and people at will and from mobilizing our people to work in their service in the western border regions.

Third, this also constitutes an encouragement for our people, especially those in the interior who have suffered so much from the multiform crimes of the genocidal Vietnamese enemy aggressors. This makes our people clearly aware of and confident in the fighting force of our National Army and guerrillas and makes them ready to rise more vigorously in unison with our army and guerrillas in the struggle against the Vietnamese aggressors.

Therefore, in one word, dispersing and annihilating the Vietnamese commune and village administrations is to cut off the fundamental root of the Vietnamese enemy aggressors in Cambodia and to liberate our people from the Vietnamese aggressors, especially their political liberation.

Along with dispersing and annihilating the Vietnamese administrative apparatuses as cited above, our National Army and guerrillas have also paid attention to releasing the Cambodian soldiers forcibly set up by the Vietnamese enemy aggressors, mainly through political means. In fact, after our National Army and guerrillas has dispersed and annihilated the Vietnamese commune and village administrations, we usually talked with the fraternal Cambodian soldiers wherever possible, discussing the policy that Cambodians must not fight each other and must instead unite against the Vietnamese aggressors to preserve the nation and race, and released them to go home in whole units. For example, on 10 November when we swept the Vietnamese aggressors on route 6 from Angkrong Market to Roka Kambot village in Sot Nikom District, Siam Reap Province, our army and guerrillas had talks with a company of fraternal Cambodian soldiers and let all of them go home. On 18 November, we dispersed and annihilated the Vietnamese administrations from Sre Sen village to Rohat Toek village in Bavel District, Battambang Province, and released a company of fraternal Cambodian soldiers. Moreover, we have also released Cambodian soldiers individually, in groups, in units, and in droves everywhere.

This release of the Cambodian soldiers in addition to their desertions from the Vietnamese aggressors and the growing instances of their mutinies against the Vietnamese everywhere constitutes a hard blow to the Vietnamese enemy's Cambodianization policy in Cambodia, seriously crippling an important part of the Vietnamese enemy's auxiliary forces, causing a serious shortage in troops to the Vietnamese, making them more reluctant, and bogging them more inextricably in the Cambodian battlefield.

Clearly grasping the importance of the attacks to disperse and annihilate the Vietnamese aggressors' commune and village administrations and to release Cambodian soldiers, our National Army and guerrillas pledge to step up activities to attack the Vietnamese aggressors through the five new methods more vigorously and ingeniously, concentrating mainly on the first and second methods and also implementing well the third method of attack to create conditions for successful attacks through the fourth and fifth methods in order to pin down the enemy troops, destroying the forces of the Vietnamese, and doing away as much as possible with their war material and food supplies.

Cadres and combatants of our National Army in all battlefields throughout the country pledge to continue to unite as one body with the Cambodian people in conducting activities against the Vietnamese enemy through the five new methods more effectively to seize more and greater victories over the Vietnamese enemy until final victory is won over the genocidal Vietnamese enemy aggressors.

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITIES

Battle Reports for 6-19 Dec

BK200745 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian [VONADK] broadcasts the following battle reports for the reporting period 6-19 December:

VONADK at 2315 GMT on 6 December reports that Democratic Kampuchean troops ambushed a Vietnamese company on the South Sisophon battlefield on 3 December. Another Vietnamese company was also ambushed in Chhuk District, Kampot Province, on 27 November. From 13 November to 4 December, DK troops killed or wounded 74 Vietnamese enemy soldiers on the South Sisophon, North Sisophon, North Battambang, Siem Reap, Ratanakiri, Koh Kong Leu, and Kompong Speu battlefields, destroying 7 guns and some military materiel, and seizing 1 gun and some ammunition and some materiel.

According to VONADK at 2315 GMT on 7 December, DK combatants launched military operations against Vietnamese soldiers on the South Sisophon, Leach Mondolkiri, Preah Vihear, Siem Ta, and Kampot battlefields, killing 63 Vietnamese enemy soldiers and wounding 78 others. They destroyed six guns and some ammunition and materiel. They also seized some ammunition and weapons.

VONADK at 2325 GMT on 8 December reveals that the Vietnamese commune administrative network in Mounng District, Battambang Province, was disrupted on 3 December. A Vietnamese position was attacked on the Kompong Thom battlefield on 30 November. Railroad tracks on the Kompong Chhnang battlefield were destroyed on 2 December. From 21 November to 6 December, DK troops killed 50 Vietnamese enemy soldiers and wounded 58 others on the Siem Reap, Samlot, Mounng-Pursat, Pailin, South Sisophon, and Leach battlefields. They destroyed 6 weapons, a C-25 radio, a commune office, 3 trucks, 80 meters of railroad tracks, 28 barracks, and some materiel. They also seized 31 weapons and a quantity of ammunition and military materiel.

VONADK at 2315 GMT on 9 December states that four villages were liberated in Sangke District, Attambang Province, on 6 December. People were freed in Kompong Trach District, Kampot Province. Vietnamese troops were attacked in Stoeng Trang District, Kompong Cham Province. A group of Vietnamese soldiers was attacked on the Koh Kong Leu battlefield. A Vietnamese company

position was attacked in Kompong Cham Province. Between 2 and 6 December, DK troops killed or wounded 57 Vietnamese enemy soldiers on the Kampot, Koh Kong Leu, Pursat, and Kompong Cham battlefields. They destroyed five weapons, three commune offices, two trucks, and some materiel. They also seized some weapons, ammunition, and materiel and liberated four villages.

VONADK at 2315 GMT on 10 December notes that several Vietnamese soldiers were killed during a 6 December attack on the North and South Sisophon battlefields. A Vietnamese position was attacked in Baribo District, Kompong Chhnang Province, on 5 December. Railroad tracks were destroyed on the Kompong Som battlefield on 30 November and in Baribo District, Kompong Chhnang Province, on 4 December. Vietnamese soldiers were ambushed in Kompong Svay District, Kompong Thom Province, on 2 December and in Baray District on 7 December. A Vietnamese platoon was ambushed on the South Sisophon battlefield on 5 December. Between 30 November and 8 December, DK troops killed or wounded 85 Vietnamese enemy soldiers on the Moug-Pursat, Kompong Som, North Battambang, South Sisophon, and Kompong Thom battlefields. They destroyed weapons, railroad tracks, a truck, and some military materiel. They also seized some materiel.

VONADK at 2315 GMT on 11 December states that Vietnamese boats were ambushed in Ponhea Loe District, Kandal Province, on 5 December. Between 5 and 8 December, Vietnamese regiments were ambushed on the South Battambang battlefield. A Vietnamese truck was ambushed on the Samlot battlefield on 6 December and a Vietnamese platoon was also ambushed on the same day. Vietnamese soldiers were attacked on the Kratie battlefield on 17 November. Between 17 November and 9 December, DK forces killed 107 Vietnamese soldiers and wounded 111 others on the Pailin, South Sisophon, Samlot, Koh Kong Leu, Kratie, and North Phnom Penh battlefields. They destroyed 13 weapons, a truck, 3 boats, a telegraphic machine, and some war materiel. They also seized some weapons and materiel.

VONADK at 0500 GMT on 14 December says that DK troops attacked (Santich) commune office, Stoeng Trang District, Kompong Cham Province, on 9 December. DK combatants attacked Dan Tung commune office, Tuk Meas District, Kampot Province, on 8 December. They attacked Chaong Maong commune office, Toek Phos District, Kompong Chhnang Province, on 3 December. They attacked and cut five sections of railroad track in Kompong Tralach District, Kompong Chhnang Province, on 8 December. DK combatants attacked and cut six sections of railroad track totaling 200 meters on the Moug-Pursat battlefield on 7 December. A total of 200 meters of railroad track were also cut on the Moug-Pursat battlefield on 10 December. A Vietnamese battalion and company were ambushed on the South Sisophon battlefield on 8 December. A Vietnamese truck was ambushed on Route 4 on 6 December. A Vietnamese truck was ambushed in an area east of Pich Nil, Route 4 battlefield, on 7 December. Another Vietnamese truck was also ambushed near Sre Khlong, Route 4 battlefield, on 7 December. A Vietnamese position at Sre Prang, North Sisophon battlefield, was attacked on 2 December. From 1 to 12 December, DK troops killed or wounded 299 Vietnamese enemy soldiers on the North Sisophon, Koh Kong Leu, Samlot, Siem Ta, Pailin, Moug-Pursat, Kompong Chhnang, Kampot, Route 4,

South Sisophon, Leach, and Kompong Thom battlefields. They destroyed 32 assorted guns, 2 military barracks, 3 trucks, and a quantity military materiel. They cut 17 sections of railroad track for a total of 505 meters. They seized 12 guns and some ammunition and military materiel. They liberated four villages on the Kompong Cham battlefield and two others on the Kampot battlefield.

According to VONADK at 0500 GMT on 15 December, DK troops ambushed a Vietnamese company at Thvea Bak Nim, Tram Kak District, Takeo Province, on 8 December. DK combatants ambushed a Vietnamese company at O Pul, Mondolkiri Province, on 9 December and a Vietnamese platoon north of Kompong Seila, Route 4 battlefield, on 12 December. A Vietnamese platoon was ambushed on Phnum Toy road, Kampot District, Kampot Province, on 10 December. From 1 to 10 December, DK troops killed or wounded 51 Vietnamese enemy soldiers on the Kampot, Tonle Sap, and Kompong Thom battlefields. They destroyed three guns and a quantity of ammunition and military materiel. They also seized some guns, ammunition, and military materiel.

VONADK at 2315 GMT on 15 December reports that two commune offices were attacked by DK troops in Samraong District, Oddar Meanchey Province, on 6 December. Kompong Seila commune office was attacked on 11 December by DK combatants on the Kompong Som battlefield. A commune office was attacked on 8 December by DK troops in Thmar Puok District, North Sisophon battlefield. DK troops attacked a commune office in Sangke District, East Battambang battlefield, on 9 December. A Vietnamese regiment was ambushed by DK troops on the South Sisophon battlefield on 12 December. A Vietnamese position on the Leach battlefield was attacked on 14 December. A Vietnamese company on the Mondolkiri battlefield was attacked on 12 December. A Vietnamese truck was ambushed at O Sandan, Route 5, Battambang Province, on 12 December. A Vietnamese truck was also ambushed in Samroang District, Oddar Meanchey Province, on 2 December.

From 4 to 14 December, DK troops killed or wounded 238 Vietnamese enemy soldiers on the South Sisophon, Mondolkiri, Kompong Thom, Oddar Meanchey, North Sisophon, South Battambang, West Battambang, and Siem Ta battlefields. They destroyed 8 guns, 5 commune office buildings, 28 military barracks, a rice storehouse, 2 trucks, and a quantity of military materiel. They seized 10 guns and some ammunition and military materiel. They also liberated two villages on the Kompong Som battlefield.

VONADK at 2315 GMT on 16 December says that DK troops attacked Tang Kouk township, Baray District, Kompong Thom Province, on 13 December. DK combatants attacked a commune office in Udong District, Kompong Speu Province, on 10 December. DK troops attacked a commune office in Memot District, Kompong Cham Province, on 14 December. A commune office was attacked in Stoeng Trang District, Kompong Cham Province, on 8 December. A truck was ambushed on the Koh Kong battlefield on 13 December. Vietnamese troops were ambushed on the Siem Ta battlefield on 13 December. An artillery position on the Siem Ta battlefield was attacked on 9 December.

From 7 to 12 December, DK troops killed or wounded 122 Vietnamese enemy soldiers on the South Sisophon, Koh Kong Leu, Kratie, Kompong Cham, Kompong Chhnang, Kampot, and Siem Ta battlefields. They destroyed 14 guns, 4 commune office buildings, and a quantity of military materiel. They seized nine guns and some ammunition and military materiel and liberated four villages on the Kompong Cham battlefield.

According to VONADK at 2315 GMT on 18 December, commune authorities in Stoeng Tran District, Kompong Cham Province, were attacked on 13 December. The commune authorities in Baray District, Kompong Thom Province, were attacked on 15 December. The railroad track was destroyed on the MOUNG-Pursat battlefield on 14 December. A Vietnamese convoy was ambushed on Route 12 in Preah Vihear Province, on 9 December. A supply convoy was attacked on the Kompong Som battlefield on 13 December.

Between 9 and 14 December, DK forces killed 37 enemy soldiers and wounded 61 others on the Chhep, Mondolkiri, Kompong Cham, and Siem Ta battlefields. They destroyed 29 weapons, 3 jeeps, 7 trucks, 96 meters of railroad track, a commune office, a Vietnamese expert's house, and some ammunition and materiel. They seized four weapons and ammunition and military materiel. They also liberated five villages on the Kompong Cham battlefield.

VONADK at 2315 GMT on 19 December discloses that a Vietnamese battalion was attacked on the Pailin battlefield on 15 December. Between 6 and 15 December, DK troops killed 67 and wounded 83 enemy soldiers on the Pailin Kompong Speu, MOUNG, Kompong Thom, and Kampot battlefields. They destroyed 15 weapons, 3 trucks, and some ammunition and materiel. They also seized eight weapons and a quantity of ammunition and military materiel.

SRV Position in Koh Kong Attacked

BK210248 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 20 Dec 85

[Text] At 0530 on the morning of 19 December, our commandos attacked and liberated a Vietnamese battalion position at Prek Pika village west of Koh Kong town. After 20 minutes of fighting, we completely liberated the position, killing 35 Vietnamese soldiers and wounding 25 others, destroying 15 AK's, 8 AR-15's, 8 SKS's, 3 RPD's, 2 M-30's, 4 M-79's, 1 60-mm mortar, 1 12.7-mm machinegun, 1 ammo depot, 30 barracks, 9 large Vietnamese houses, and a large quantity of ammunition and war materiel; and seizing 28 assorted weapons, including 3 AK's, 17 SK's, 2 B-40's, 1 B-41, 1 DK-82, 1 82-mm mortar, 2 AR-15's, 1 pistol, 1 C-25 walkie-talkie, 12 rucksacks, and some war materiel.

At the same time, we fired 20 107-mm rockets into Koh Kong town, killing or wounding some Vietnamese aggressors inside Koh Kong town and causing panic among the survivors who fled helter skelter by boats into the open sea.

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SIHANOUK COMMENTS ON ATTITUDE TOWARD KHMER ROUGE

HK260438 Hong Kong SOUTH CHINA MORNING POST in English 26 Dec 85 p 5

[Text] Prince Norodom Sihanouk has learned to live with his Khmer Rouge partners--although he blames them for slaughtering his family during the Pol Pot years of "Killing Fields" infamy.

But dressed in a stylish blue suit ("I get my cloth from Paris", he explained) the Prince said he had no axe to grind with the communists.

"You know, I had personally no problems with them," he said from a luxury suite in the Mandarin Hotel in Hong Kong. "Yes, they kept me under house arrest but I had no complaints.

"I had complaints about the mistreatment inflicted and the killings inflicted by them on my people, on so many innocent people, including five children of mine and 14 grandchildren of mine.

"That was the problem which separated us."

Prince Sihanouk also believes that Pol Pot, who retired in September in favor of Mr Kieu Samphan, is still firmly in control of the Khmer Rouge.

"They pretend that Pol Pot is now retired, but I am more or less suspicious about it. I think that Pol Pot remains the actual chief of the movement and of the army."

The Prince also conceded that a proportion of the Cambodian population still supported the despot, whose four-year reign of terror is estimated to have claimed the lives of about two million people.

"There is one part of the nation that is communist. These people continue to support Pol Pot. Pol Pot is charismatic and he is the ablest military chief.

Among (some) Cambodians, I must confess, he is still number one."

Prince Sihanouk plans to stay in Hong Kong until 2 January. The trip, he said, was his annual holiday for which the Chinese Government had agreed to foot the bill.

But, according to the Prince, there is scant time for royal leisure.

"Every day, you know, I have appointments and I have not time to have fun," he lamented on a Christmas morning in Hong Kong.

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CSO: 4200/456

14 January 1986

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SIHANOUKIST ARMY SPOKESMAN ON REINFORCEMENT

BK260145 Bangkok THE NATION in English 26 Dec 85 p 5

[Text] A reinforcement of more than 1,000 guerrillas of the National Sihanoukist Army (ANS) will be sent into several provinces in Kampuchea to impede the anticipated Vietnamese dry season offensive against the Khmer Resistance groups, an ANS spokesman said.

The spokesman claimed a total of 5,972 ANS guerrillas are currently operating in Battambang, Kampong Cham, Kampong Chhnang and Siem Reap provinces, especially around the Kampuchean great lake of Tonle Sap, and the Kampuchean capital of Phnom Penh.

He said a reinforcement of 1,462 guerrillas will assist the ANS guerrillas, currently operating in the Kampuchean interior, to hinder a Vietnamese plan to seal off the Thai-Kampuchean border and to disrupt their plan for the dry season offensive.

The spokesman said the penetration of the ANS guerrillas inside Kampuchea is to avoid heavy fighting on the Thai-Khmer border.

He said the ANS guerrillas' activities will be aimed at destroying the Vietnamese ammunition or supply depots and cutting logistic supply routes from the interior to the Thai-Kampuchea border.

According to the ANS spokesman, the ANS plans to increase its armed guerrillas from a current number of about 11,300 to 16,000 next year.

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CSO: 4200/456

14 January 1986

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SRV UNIT REPORTEDLY USING CHEMICAL GRENADES

BK150103 Bangkok THE NATION in English 15 Dec 85 p 2

[Text] The Vietnamese recently stepped up biochemical warfare against Khmer resistance forces in Kampuchea with a unit of about 900 troops specialized in the warfare having been sent from their base in Pursat to repress the resistance guerrillas, the [Thai] Supreme Command charged yesterday.

The biochemical warfare unit is armed with Soviet-made smoke grenades which release poisonous smoke upon exploding, according to a press release from the Information Office of the Supreme Command.

It is said there were two types of the grenades which contain no shrapnel. The first type produces white smoke which causes loss of consciousness, while the other contains a black chemical that impairs the nervous and respiratory systems. People who inhale large amounts of the black chemical can be killed, according to the release.

It said that the two types of grenades had been used in Preah Vihear, Koh Kong and Battambang. The 900 Vietnamese troops have been dispatched to Anlung Veng District in Kampuchea to repress the resistance guerrillas.

However, Supreme Commander Gen Athit Kamlang-ek told reporters yesterday that laboratory tests of samples of the chemicals had so far yielded no conclusive evidence that the handgrenades contain toxic chemicals.

/9738

CSO: 4200/456

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK ON POVERTY CAUSED BY SRV AGGRESSION

BK210827 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
19 Dec 85

[Station commentary: "Current Poverty and Suffering in Cambodia are Caused
by the Hanoi Vietnamese War of Aggression and Race Extermination"]

[Text] This year in Cambodia famine, poverty, and suffering have reached a new height. According to reports from all circles throughout the country, our people currently living in zones temporarily controlled by the Vietnamese enemy generally lack food supplies. In some areas our people have only rice soup mixed with corn, potatoes, or leafy vegetables to eat. Sometimes, there is no rice and our people eat boiled potatoes instead, but we do not have even this in sufficient quantity. This has caused our people to be affected by many diseases, such as swollen body, fever, jaundice, and many others. Elderly people and children in particular have died. This shortage of food exists not only in rural areas; even in Phnom Penh it is strongly left. Employees of various international humanitarian aid agencies who have been in and out of Phnom Penh have talked about and are aware of this problem in the city. This is the place the Hanoi Vietnamese have paid attention to form their deceitful propaganda. As for our people's clothes, particularly in rural areas, they are like rags. Generally speaking, men do not have a shirt to wear. In some places, like Takeo, Kampot, and Kompong Speu Provinces, many women have to wear shorts.

Our Cambodian people have never encountered this kind of situation in their millenium of history. What are the causes of this deteriorating situation?

1. It is because of the Hanoi Vietnamese war of aggression in Cambodia. From 1983 in particular, the Hanoi Vietnamese enemy aggressors have drafted our people on a large scale -- up to many hundreds of thousands -- to clear bushes and build roads and barracks in western Cambodia along the Thai border. Our people who have been drafted for this purpose not only cannot work their fields to sustain their families but also many have died because of mines, artillery shells and malaria.

2. The meagre amount of rice and paddy our people have managed to produce has been taken by the Vietnamese aggressors to store in common granaries located in various positions and administrative seats of the Vietnamese

with the promise that this paddy and rice will be distributed back to our people for consumption. In fact, the Vietnamese have plundered this to feed Vietnamese troops and nationals who have been sent in increasing numbers to settle in Cambodia. Normally, our peasants use their paddy and rice to barter. Now that this has been taken by the Vietnamese, what do our people have left to barter for clothes and everyday utensils? This is the main cause of the current hardship, suffering, and famine in Cambodia. It is because the Vietnamese enemy has plundered our people's rice and paddy and deprived our people of their time to produce foodstuff. These activities are part of the Vietnamese policy to exterminate the Cambodian race in Cambodia along with many other great and barbarous crimes such as summary execution, use of toxic chemicals, accusation, arrest, and execution.

So, as long as the Hanoi Vietnamese do not end their war of aggression and race extermination in Cambodia, famine, poverty, and suffering in the country cannot be resolved. We therefore appeal to the international community to continue to pressure Vietnam in every field -- political, diplomatic, economic, and other fields -- to force the Hanoi Vietnamese to withdraw all their forces unconditionally from Cambodia to let the Cambodian people decide their own affairs. And once Vietnam withdraws all its aggressor forces from Cambodia, all problems there, including famine, will be automatically and definitely resolved.

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CSO: 4212/37

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

CHINA CONTINUES SUPPORT--During a meeting with Democratic Kampuchean President Samdech Norodom Sihanouk in Beijing on 17 December, Chinese Premier Zhao Ziyang affirmed that China will continue to support the Cambodian people's struggle until final victory. After the withdrawal of Vietnamese forces, Cambodia will become independent, neutral, and nonaligned. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 18 Dec 85 BK] 12624

CSO: 4212/37

PEOPLE'S REPUBLIC OF KAMPUCHEA

HUN SEN RECEIVES BRITISH-VIETNAM ASSOCIATION

BK200325 Phnom Penh SPK in English 1101 GMT 19 Dec 85

[Text] Phnom Penh SPK 19 Dec--Hun Sen, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, premier and foreign minister, received in Phnom Penh Wednesday morning a delegation of the British-Vietnam Association led by Vice Chairman David Yuille.

During friendly talk Hun Sen said he hoped the visit of the delegation would bring about a better understanding of the real situation in Kampuchea. He thanked the British-Vietnam association for its support to the just struggle of the Kampuchean people against imperialism hegemonism and expansionism.

Joan Yuille, general secretary of the association, spoke of what she had seen in Kampuchea. She said that the orphanages, the Tuol Sleng museum of genocide, the mass graves all testified to the great sufferings of the Kampuchean people under the rule of the Pol Pot clique.

She hailed the revival of the Kampuchean people under the leadership of the People's Revolutionary Party of Kampuchea and promised to tell the public of the facts in Kampuchea.

While in Phnom Penh, the delegation also visited a pharmaceutical workshop, the "liberation" cigarettes factory and the former royal palace. It left Phnom Penh Thursday morning after a four-day visit.

/9738

CSO: 4200/457

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK COMMENTARY HAILS INDIA'S SUPPORT FOR PRK

BK180918 Phnom Penh Domestic Service in Cambodian 1300 GMT 7 Dec 85

[SPK commentary: "India Has Consistently Pursued a Policy of Peace"]

[Text] India's bond of solidarity with the Cambodian people in her resolution to help rebuild the devastated country was reaffirmed by Prime Minister Rajiv Gandhi at a luncheon hosted by Comrade VCP Central Committee General Secretary Le Duan in Hanoi on 27 November. That statement clearly showed India's firm adherence to a policy of peace and nonalignment founded by the late Prime Minister Jawaharlal Nehru and upheld by his daughter, the popular and influential Mrs Indira Gandhi, and his energetic grandson, Rajiv Gandhi.

Since the day India was steered toward independence in 1947 by her pacifist leader Mahatma Gandhi, India has always pursued a policy of peace and nonalignment. This country has consistently supported the people fighting for national independence, the national liberation movement, the right to self-determination of all nations, and the Nonaligned Movement against colonialism, neocolonialism, expansionism, and imperialism. India has also stood firmly behind the idea of turning the Indian Ocean into a nuclear-free zone. More particularly, India has constantly supported the Cambodian people and other peoples in the Indochinese peninsula in their persistent struggle against colonialism, militarism, imperialism, and, recently, hegemonism. India's recognition of the PRK on 8 July 1979 vividly testified to this courageous stand.

Under the enlightened leadership of the Congress Party headed by Rajiv Gandhi, the Indian people are successfully furthering the cause fostered by Mrs Indiar Gandhi, the great and true friend of the Cambodian people.

We take this opportunity to express our gratitude to the Indian people for the support they have accorded our just cause in building the devastated land of Angkor which has maintained a time-honored cultural link with India.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

NGUON NHEL LEADS DELEGATION TO HUNGARIAN EMBASSY

BK210010 Phnom Penh Domestic Service in Cambodian 0430 GMT 20 Dec 85

[Text] On the afternoon of 19 December, a delegation of the party and the state led by Comrade Nguon Nhel, alternate member of the party Central Committee Political Bureau and secretary of the provisional Phnom Penh party committee, went to the Hungarian Embassy to pay respects to the memory of Comrade Istvan Olah, member of the Hungarian Socialist Workers Party Central Committee and minister for national defense, who died on 15 December at the age of 59 of heart disease.

In the name of the entire PRK party, government, army, and people, Comrade Nguon Nhel expressed condolences and grief to Comrade-in-Arms Istvan Olah, who was a noble son of the Hungarian Socialist Workers Party and a valiant and courageous combatant who firmly fought against the enemies. He sacrificed his physical and moral strength for the party until the final day of his life for the cause of socialism and world peace.

On the same day, the delegation of the Ministry of National defense led by Comrade Meas Kroch, deputy minister of national defense, and the delegation of the Foreign Ministry led by Comrade Kong Korm, member of the party Central Committee and first deputy foreign minister, and comrades ambassadors extraordinary and plenipotentiary of various friendly countries to the PRK also laid wreaths to pay respect to the memory of Comrade Istvan Olah at the Hungarian Embassy.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

KHIM PON ATTENDS CLOSING OF DEFENSE CONFERENCE

BK190709 Phnom Penh Domestic Service in Cambodian 0430 GMT 17 Dec 85

[Text] A ceremony was held at the Phnom Penh Theater on 14 December to close the conference on defense work which was held successfully for 2 days.

During the conference, participants listened attentively to reports made by representatives of various offices, mass organizations, factories, enterprises, and wards, all of which described strong points, weak points, and experience in defense work for stimulating the revolutionary movements toward all-round progress and for ensuring a stable life for the Phnom Penh inhabitants. The reports also stressed the strong combat will of the Phnom Penh people in their efforts to crush all psychological warfare maneuvers and evil phenomena.

In his speech, Comrade Khim Pon, deputy secretary of the Phnom Penh Municipal Provisional Party Committee and deputy minister of the interior, praised cadres, personnel, workers, and people who have contributed their mental and physical strength to the revolutionary movement, thus bringing prosperity in all aspects to Phnom Penh -- the heart of our PRK. The comrade added: all sectors and all units must make further efforts in fulfilling all important plans relating to the defense task in order to defend all the achievements we have made. Each locality must mobilize its combined forces for combating the enemy, cooperate with the provinces bordering Phnom Penh, and enhance solidarity, friendship, and cooperation with the Vietnamese friends in particular since this is the factor deciding all victories of the Cambodian revolution.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

MEN SAM-AN ADDRESSES POLITICAL-THEORETICAL COURSE

BK180854 Phnom Penh Domestic Service in Cambodian 1300 GMT 11 Dec 85

[Text] The fourth political-theoretical course for 488 trainees was closed at the Central Political School in the afternoon of 10 December after 6 months of successful training. Comrade Pav Hamphan, vice chairman of the Central Propaganda and Education Commission, highly valued the outcome of the training course. He said that despite its short period, the course helped the trainees to understand their tasks for revolutionary activities and to link implementation to the law of objectivity.

Also speaking on that occasion, Comrade Mrs Men Sam-an, member of the party Central Committee Political Bureau and chairman of the Central Organization Commission, and Comrade (Tran Phuoc Tyuen), deputy head of the experts group attached to the Central Propaganda and Education Commission, stressed that this political-theoretical course created a fundamental condition for the research on the resolutions of the fifth party congress and, through that, helped the trainees to fathom the working-class stand and to analyze friend-foe realities, and made clearer to the trainees the meaning of party and people and the need for cadres to temper their revolutionary ethics. They also stressed that at present we still have difficulties left behind by the genocidal regime. For this reason, all trainees from all departments and units must strive to exert efforts once they are back in their bases to accelerate the revolutionary cause by rapidly doing away with as many difficulties as possible in accordance with the remarks of Comrade General Secretary Heng Samrin, who said that the correct behavior toward the people is a requirement for tempering oneself and is a trait of revolutionary cadres.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

SOVIET WOMEN LECTURERS CALL ON CHEA SIM, LEAVE 23 DECEMBER

BK250951 Phnom Penh SPK in English 1106 GMT 24 Dec 85

[Text] Phnom Penh, 24 Dec (SPK)--Chea Sim, Politburo member of the Central Committee of the People's Revolutionary Party of Kampuchea and chairman of both the National Assembly and the National Council of the United Front for Construction and Defense of the Kampuchean Fatherland, received a group of Soviet lecturers at Chamka Mon guest house, in Phnom Penh Monday [23 December].

The group, which arrived in Phnom Penh Monday for a friendly visit, was led by Galina Semenova of the Soviet women's committee.

Speaking to his guests Chea Sim expressed his delight at the visit which, he said, would help strengthen cooperation between the women of the two countries.

He informed his guests of the difficulties resulting from the rule of the genocidal clique of Pol Pot and the great efforts being exerted in national defense and construction.

Chairman Chea Sim thanked the Communist Party, the government, and the people of the Soviet Union for their support and assistance to Kampuchea.

For her part, Galina Semenova warmly praised the creativeness and courage displayed by the women and the rest of the Kampuchean people in national rehabilitation and construction. These activities, she said, show the steady advance and the bright future of the People's Republic of Kampuchea.

She expressed the belief that the relations between Kampuchea and Soviet women would further strengthen and stressed that Soviet women would always side with their Kampuchean sisters.

The group left Phnom Penh, later [in] the day concluding an eight-day visit to Kampuchea.

While here, the group exchanged experiences with Mean Sam-An, member of the P.R.P.K. Central Committee and president of the Association of Revolutionary Women of Kampuchea, and met with Som Kimsuor, member of the party Central Committee and editor-in-chief of the biweekly PRACHEACHON (PEOPLE). They gave lectures in Phnom Penh and in Kandal Province on Soviet women.

In Phnom Penh, the group also visited the Tuol Sleng Museum of genocide, the former royal palace, the "cuu long" orphanage, various kindergartens, the Kampuchea-USSR friendship hospital, the Kampuchea-USSR friendship technical college, and workshops. They also toured a model village in Kandal Province, and the Angkor Wat temple in the province of Siem Reap-Oddar Meanchey.

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CSO: 4200/457

14 January 1986

PEOPLE'S REPUBLIC OF KAMPUCHEA

421 MISLED PERSONS RETURN IN BATTAMBANG PROVINCE

BK190745 Phnom Penh Domestic Service in Cambodian 0430 GMT 19 Dec 85

[Text] Our state authorities and people in Sereisophon District, Battambang Province, have disseminated the 6-point clemency policy of the party and state and have used every means to win back misled persons who are still following the enemies in the jungles and serving the cliques of Pol Pot, Son Sann, and Sihanouk.

During a period of 10 months this year, 421 misled persons, including 355 Sereika soldiers and 66 Pol Pot soldiers, presented themselves to our state authorities and people in Sereisophon District, Battambang Province, bringing with them 257 assorted weapons and some war materiel. Currently, all the returnees have been taken care of by our state authorities and people in the district. They have been provided moral and material support. Conditions have been created for the returnees to live with their families and enjoy the right to join in production work in solidarity production groups like our people throughout the country.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

BOU THANG CONDOLES HUNGARIAN DEFENSE MINISTER'S DEATH

BK210803 Phnom Penh Domestic Service in Cambodian 1200 GMT 19 Dec 85

[Text] Upon learning that Comrade General Istvan Olah, member of the Central Committee of the Hungarian Socialist Workers Party [MSZMP] and minister of national defense of the Hungarian People's Republic, passed away most regrettably, Comrade Bou Thang, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of national defense of the PRK, sent a message of condolences to the MSZMP Central Committee, the military commission of the MSZMP Central committee, and the defense minister of the Hungarian People's Republic. The message reads:

We are very upset to learn that Comrade Gen Istvan Olah, member of the MSZMP Central Committee and defense minister of the Hungarian People's Republic, passed away most regrettably on 15 December 1985.

On behalf of the KPRP, the government, the people, and the armed forces of the PRK as a whole, we would like to extend our deepest condolences to the MSZMP Central Committee, the military commission, the Defense Ministry of the Hungarian People's Republic, and the whole Hungarian People's Army.

Comrade Gen Istvan Olah was a leader of the Hungarian People's Armed Forces and a valiant combatant who fought tirelessly for the strengthening of the Warsaw Pact and for the defense of socialism and world peace.

The death of Gen Istvan Olah constitutes an immense loss not only for the entire party, government, people, and people's army of Hungary, but also for the entire Cambodian party, government, people, and people's revolutionary armed forces. We express condolences and share the grief of the Hungarian party, government, people, and people's army and the bereft family.

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CSO: 4212/38

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK REPORTS ACTIVITIES TO MARK SRV ARMY DAY

BK250410 Phnom Penh SPK in English 1115 GMT 24 Dec 85

[Text] Phnom Penh SPK 24 Dec--The 41st Army Day of the Socialist Republic of Vietnam (22 Dec) has been marked by diverse activities in Kampuchea.

On Saturday the Phnom Penh committee of the United Front for Construction and Defence of the Kampuchean Fatherland held a meeting with the participation of representatives of the populations, factories, public offices, and mass organizations. The meeting was also attended by Thong Khon, candidate member of the party Central Committee and mayor who profoundly thanked the Vietnamese Army volunteers for their sacrifices to the cause of the Kampuchean revolution.

On Sunday, delegation of senior army officers led by Koy Buntha, member of the party Central Committee and deputy defense minister and a companioned by Vu Nha, military attache to the Vietnamese embassy, laid wreaths at the monument to the Vietnamese internationalist combatants and the monument for the dead.

A delegation of the party, the front and mass organizations headed by Mean Sam-An, member of the party Central Committee and president of the Association of Revolutionary Women of Kampuchea, called on Vietnamese combatants hospitalized in the city.

Other delegations, representing public offices and respectively led by Pen Navut, candidate member of the party Central Committee and minister of education; Kong Sam-Ol, minister of agriculture; Nguon Pen, deputy minister of finance, visited army hospitals in the city and an invalids center at Kien Svay, Kandal Province.

Film on the Vietnamese army have been screened under the joint auspices of the Ministry of Information and Culture and the Vietnamese Embassy.

The Ministry of Education observed the event with a meeting at the "Phnom Don Penh" senior-high school, where results of a quiz on the Socialist Republic of Vietnam were announced.

On the same occasion, Vietnamese Military Attache Vu Nha appeared on a televised interview during which he spoke of the struggle for national independence, freedom in Vietnam and of their internationalist obligations to the People's of Kampuchea and Laos.

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

LAO NATIONAL DAY MARKED--A solemn meeting was held recently at Svay Rieng provincial theater hall to mark the 10th anniversary of the LPDR National Day. Comrade Heng Samkai, member of the KPRP Central Committee and secretary of Svay Rieng Province's provisional party committee, expressed warm greetings to the fraternal Lao people on the 10th National Day of the LPDR. He also talked about the history of the Lao people's struggle against the aggression of the French colonialists and U.S. imperialists, struggle which was crowned with a brilliant success on 2 December 1975. He also went on to stress the bonds of close solidarity among the three Indochinese countries in the fight against the common enemies. He highly appreciated the persistent struggle spirit of the fraternal Lao people in the firm defense of their national independence and in the rapid reconstruction of their country under the leadership of the LPRP. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 14 Dec 85 BK] 12624

SOVIET GROUP VISITS PRK--The delegation of the Soviet-Cambodian Friendship Association led by Comrade Vyacheslav Tsugba, first vice chairman of the Council of Ministers of the (Azerbaydzhan) Autonomous Socialist Soviet Republic, left Phnom Penh for home on the morning of 16 December after a successful official friendship visit to the PRK. Seeing the delegation off at Pochentong Airport were Comrade Pen Navut, alternate member of the KPRPLTQTNTRAL Committee, minister of education, and vice chairman of the Cambodian-Soviet Friendship Association; Comrade Min Khin, deputy secretary general of the KUFNCD National Council and many members of the Cambodian-Soviet Friendship Association. Also on hand at the airport to see the delegation off was Comrade Tusonov, first secretary of the Soviet Embassy in Cambodia. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 17 Dec 85 BK] 12624

HUNGARIAN MINISTER'S DEATH ANNOUNCED--The PRK Defense Ministry grievously announces to the KPRAF that Comrade General Istvan Olah, member of the Central Committee of the Hungarian Socialist Workers Party [MSZMP], a famous leader of the MSZMP, and defense minister of the Hungarian People's Republic, died of heart disease on 15 December 1985 at the age of 59. Comrade General Istvan Olah was an outstanding personage of the MSZMP and a valiant combatant who fought tirelessly for socialist ideals and world peace. Comrade Istvan Olah is a great loss not only to the Hungarian party, people, and people's Army but also a regrettable loss to the Cambodian party, people, and KPRAF. The prestige of Comrade Istvan Olah will always remain in the minds of the Hungarian people and army and the KPRAF. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 19 Dec 85 BK] 12624

MILITARY ACTIVITIES IN MEMOT DISTRICT--During the first 11 months of 1985, the armed forces of the district launched sweeping operations against the enemies with the cooperation of militiamen of the communes. They killed 28 enemy soldiers, wounded 18 others, and arrested 17 others. They seized 15 weapons including 6 AK's, 2 AR-15's, 2 SKS's, 2 K-54's, 1 carbine, 1 RPD, and 1 K-44. In October, the armed forces of Memot District, [Kompong Cham Province], launched a sweeping operation against the enemies on the (Kang Kov) battlefield, Da commune. They killed an enemy soldier on the spot and arrested two others. They seized four weapons including an RPD, an AK, a K-54, and a lot of military materiel. Moreover, the armed forces in the district have cooperated with our people in persuading 75 misled persons to return to live with the revolution and the people. These misled persons brought with them two B-40's, three carbines, and two AR-15's to our revolutionary state power. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 20 Dec 85 BK] 12624

KPRAF ACTIVITIES REPORTED--Phnom Penh, 24 Dec (SPK)--In the week ending 2 November, the People's Revolutionary Armed Forces of Kampuchea, in cooperation with Vietnamese Army volunteers, took 35 actions against the enemy, mostly along the Kampuchea-Thai border. As a result, 223 enemy troops were put out of action and 73 others surrendered. Moreover, 81 guns, 62 mines, 7 kg of TNT and 30 boats were seized. During an interception at Svay Chek, Battambang Province, on 21 October, 30 Polpotists were killed and 12 firearms seized. [Text] [Phnom Penh SPK in English 1104 GMT 24 Dec 85 BK] /9738

CSO: 4200/457

INTERNATIONAL RELATIONS, TRADE, AND AID

NHAN DAN HAILS RESULTS OF CEMA SESSION

BK221558 Hanoi Domestic Service in Vietnamese 2300 GMT 19 Dec 85

[NHAN DAN 20 December editorial: "A Momentous Event and an Important Cooperation Program"]

[Text] At a time when the socialist countries are preparing to embark on their new 5-year plan, the 41st special session of the Council of Mutual Economic Assistance has adopted its member countries complex program of scientific and technological progress till 2000.

The scientific, technical, and economic revolution -- of which the main objective is to transform science into a direct production force -- is now developing rapidly and penetrating ever more deeply into every domain of production and social life. The complex program reflects and takes into account that tendency of the age and stems from the viewpoint that the socialist countries are potentially capable of advancing to the height of the scientific and technical revolution through joint action and efforts in this field.

The program points to the need for uniform cooperation in five orientations of priority such as electronics, automation, atomic energy, the development and processing of new materials, and biotechnology.

Our party, government, and people, as well as those working in the scientific and technical field in our country, highly appreciate the powerful Soviet Union's most positive, important, and decisive contributions -- in terms of economy, science, and technology -- to the formulation of this program.

The complex program is an expression of the spirit of international cooperation which, unlike the monopolistic character of technology in the imperialist camp, broadens the scope of multiform and mutually beneficial cooperation with those socialist countries which are not members of CEMA, with developing and other countries in the world.

The complex program highlights the peace-loving spirit in sharp contrast with the imperialist forces which are using scientific and technical achievements to step up the arms race, carry out the star wars program, and suppress the national independence movement in an attempt to dominate the world, this posing a serious threat to life on this planet.

The successful implementation of the complex program will create favorable conditions for all fraternal countries to effect vigorous changes in in-depth production, accelerate socioeconomic development, improve the living standards of their people, and consolidate their cohesion and solidarity. It will also ensure victory for socialism in face of the challenge and serious threat of capitalism, and make it possible for the socialist community -- of which the Soviet Union is the pillar -- to develop its role as the unconquerable stronghold of peace and reliable mainstay of the forces that are struggling for national independence and social progress.

With elation and confidence, the Vietnamese people warmly welcome the complex program and consider the adoption of this program by the 41st special CEMA session as a momentous event, an important cooperation program, and a great success for the socialist community.

Our country is faced with a situation in which small production is still widely prevalent and labor remains mostly manual. Our starting points in the economic field as well as in the scientific and technical field -- which could have developed enormously in recent years -- remain slow in general.

However, we possess the initial material and technical bases of socialism with modern or relatively modern projects of different sizes. We also have a contingent of scientific and technical cadres with a certain and well-defined standard of knowledge.

In view of this, we will participate most actively in the complex program to make our modest contributions to the implementation of this program, especially in the fields of biotechnology, in the development and processing of new materials, and in electronics and informatics and automation.

In light of the resolutions of our fourth and fifth party congresses, the scientific and technical revolution retains the key role among the three revolutions with the aim of turning Vietnam into a prosperous and powerful socialist country with a modern industrial-agricultural economic structure; advanced culture, science, and technology; firm and strong national defense; and a civilized and happy life.

We are in the process of establishing a system of socialist collective mastery and are living in the age of the scientific and technical revolution that is developing vigorously. Under the leadership of the party, we should determine our strategy, objectives, orientations, steps, and work methods and broadly apply advanced science and technology in a way that suits the conditions in our country.

In the immediate future, implementing the resolutions of the fifth party central committee's sixth, seventh, eighth, and ninth plenums, we must more effectively organize and use our existing scientific potential -- including social science, natural science, and technical science -- and focus it on all major tasks in order to help solve various pressing problems arising from production, the people's livelihood, and the improvement of various sectors' management.

It is necessary to step up the mass movement to develop innovations for technical improvement and the rationalization of production. All new scientific and technical findings must, as an immediate step, be used in such a way as to support the production of grain, food, essential commodities, export goods, and major industrial items, ensure additional sources of raw and other materials; help create high-yield districts and areas and new economic zones; and enable all enterprises to carry out production with high productivity, quality, and efficiency.

These are practical tasks which will contribute to the fulfillment of the 1986 state plan and 5-year 1986-90 plan as new achievements to welcome the Sixth Party Congress, and to our active participation in implementing the complex program of scientific and technological progress with other fraternal countries.

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CSO: 4209/183

INTERNATIONAL RELATIONS, TRADE, AND AID

INCREASED ECONOMIC COOPERATION SEEN BETWEEN HO CHI MINH CITY-LAOS

Hanoi NHAN DAN in Vietnamese 28 Oct 85 p 4

[Article: "In Advance of the Vientiane Trade Fair: Ho Chi Minh City's Economic Cooperation with Laos"]

[Text] In mid-November each year, the That Luong Trade Fair--a traditional festival of the people of Laos--is the scene of the most beautiful and largest display of temple peaks in Laos, on the bank of the Mekong River about 2 kilometers to the east of Vientiane. Amidst the spirited atmosphere of the festival, visitors watch military parades and exhibitions of dancing by young Lao couples. In particular, the That Luong Trade Fair is a place where all types of special products are brought in from many localities to be introduced and sold. This year, to mark the 10th anniversary of the Declaration of Independence of the People's Democratic Republic of Laos, the That Luong Trade Fair will become the Vientiane Trade Fair. This year, the capital Hanoi, Ho Chi Minh City, Moscow and Phnom Penh will participate in the fair.

This fair, which represents a small aspect of the change in direction in the economic policy of our friends, provides an opportunity for consumers to learn about the beautiful and fine products of the country's provinces, provides an opportunity to introduce products of the fraternal countries and is the first step in the establishment of economic ties between the countries.

The Products of Ho Chi Minh City on Display at the 1985 Vientiane Trade Fair

Koong Phen, a member of the Vientiane Municipal Party Committee and director of the Vientiane Commerce Corporation, informed us:

--"We had a chance to visit the Quang Trung Trade Fair and from it learned the dynamic and effective way in which Ho Chi Minh City works. The city produces many consumer goods that are of high quality and well suited to the tastes of consumers. Many of our ministers expressed an interest in the different types of machines being manufactured by the city, including the milling machine powered by rice husks because, in Laos, we do not know what to do with all the rice husks being produced. This practical approach gives us an indication of the direction that the development of our industry should take.

The Corporation for Economic Cooperation and Export-Import Trade with Laos and Cambodia, called Sapvimex, will exhibit at the fair many groups of products that are strengths of Ho Chi Minh City, such as aluminum ware, plastic goods, leather goods, glassware, ready-made clothing... These products have been in store departments in Laos for more than 1 year but only in very small quantities because they are only test products. Although some products are not attractive or new, their quality is no less than that of Thai and Japanese products, their price is much lower and it is hoped that they will win new customers. In the economic relations with our friends, supplying products that are good and attractive is a matter to which the industry, small industry and handicraft trades of Ho Chi Minh City must give thought.

Beneficial to Both Sides

The direction being taken by Vientiane is to develop itself by means of production and the Industrial Service of Ho Chi Minh City has helped our friends follow this path by supplying them, as a start, with four different machines: a resin press, a toothpaste making machine, a machine for making sweetcakes and a machine used to manufacture tires and tubes for Honda motorbikes. The city's Association of Interbranch Handicraft Cooperatives is also about to send to our friends systems for the manufacture and recovery of carbon dioxide, the manufacture of liquid soda and the manufacture of zinc wire from discarded materials. Many types of agricultural equipment and machines for the manufacture of consumer goods will also be exhibited at the trade fair.

The strengths of our friends are forest products, pharmaceuticals and coffee. However, little harvesting of these products is being done due to difficulties with means of transportation, difficulties in trade relations with foreign countries and frequent price gouging. Meanwhile, Ho Chi Minh City has a corps of skilled workers and is in a good position to harvest and process various types of forest products. These ties produced results during last year's dry season when the Exported Bag and Wood Products Corporation coordinated with the Minh Hai Export-Import Corporation to export for Kham Muon province 7,000 cubic meters of wood. At present, many friendly provinces, such as Savavane and Savannakhet, are prepared to sign contracts with Ho Chi Minh City for the harvesting and exportation of wood.

The Vientiane Trade Fair is a trade fair of friendship and economic cooperation because it is the first step in the establishment of an Indochina regional market. The fraternal relations among the three countries of Indochina that remained strong throughout the course of the fight against the common enemy of the three nations will now become even closer when this combined strength is built upon within permanent economic ties. We await this fine outcome at the 1985 Vientiane Trade Fair.

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CSO: 4209/144

PARTY ACTIVITIES AND GOVERNMENT

PHAM HUNG ADDRESS AT HOUSEHOLD CONFERENCE

BK201546 Hanoi NHAN DAN in Vietnamese 15 Nov 85 p.3

[Address by Pham Hung, member of CPV Central Committee Political Bureau, vice chairman of SRV Council of Ministers, and minister of interior, delivered at the Hanoi Public Security Service 7 November conference on household and population management]

[Text] I. [Roman one] Firmly Grasp the Fundamental Viewpoints and Requirements for Household and Population Management

Comrades, you all know that the world revolution and the revolution in the three Indochinese countries are continuing to surge forward, but the situation is very difficult and complex because of the actions taken by imperialist and international reactionary forces led by U.S. imperialism and the Chinese expansionists. China is vigorously conducting a multifaceted war of sabotage against our country as well as Laos and Cambodia and intensifying its expansionist activities in Southeast Asia. Meanwhile, the U.S. imperialists are expanding their activities in the South Pacific. Their collusion has caused tension in many parts of the world, speeded up the arms race, and undermined peace. We must continue the struggle to defeat the enemy's multifaceted war of sabotage and also to cope with a large-scale war that may be recklessly launched by the enemy. It is necessary to maintain a high degree of vigilance and ceaselessly strengthen national defense and security.

In the economic field, the resolution adopted recently at the party Central Committee's eighth plenum is aimed at new orientations for eliminating bureaucratism and subsidization and carrying out economic accounting and socialist business. With support from cadres and the working people, this resolution is creating important preconditions for stepping up economic transformation and construction, but reactionary elements and economic criminals, especially speculators, hoarders, and illegal traders, are seeking by every means to sabotage it.

Therefore, along with transforming and developing the socialist economy, we must definitely struggle to repress counterrevolutionary elements and economic criminals.

However, how can we detect the enemy and economic criminals? At the conference on "Intensifying Market and Price Management and Combatting Speculation and Smuggling," I remarked: The enemy and economic criminals have their own houses, and they are conducting their daily activities in hamlets, on the streets, and in city wards or villages. If we carry out household management and successfully control every household and every person, it is certain that we will be able to detect the enemy and criminal elements and punish them.

Therefore, the first issue is to realize clearly that carrying out household and population management to grasp firmly every household and every person is a fundamental task of the public security service that provides the conditions for performing other tasks related to security and public order. The following conclusion was drawn at a nationwide conference held in early 1985: "Performing public security work without grasping the issue of household and population management is tantamount to doing no public security work." At the same time, it is also necessary to understand clearly that household and population management is also designed to support socioeconomic management efforts by the party and state in various aspects. In view of this, we must concentrate forces on carrying out this task. The ministry has given permission to postpone a number of not really pressing tasks so that cadres, means, and conditions will be available for carrying out household and population management in the most satisfactory manner.

The main requirement of household and population management is to firmly grasp the situation of every household and every citizen, with attention focused on the personal history and political attitude of the different types of subjects, their movements, and their current acquaintances and activities. On this basis, good persons should be selected for grooming as the nuclei of the mass movement at the grass-roots level; people beset with difficulties should be given assistance; dissatisfied and backward people should be transformed by educational means; and counter-revolutionary and other criminal elements should be discovered for prompt punishment.

With a firm grasp of this requirement, we must closely follow and grasp the actual situation of every household and every citizen by vigorously launching a mass movement for mastery and consolidating the grass-roots organizations of every street and hamlet, and not by simply preparing statistical reports on paper in an administrative and bureaucratic manner.

The last objective of household and population management is to resolve problems discovered in the course of carrying out this task. Party chapters must guide the various sectors and mass organizations at the grass-roots level in assigning people to investigate closely the situation and thoroughly resolve a series of problems involving jobs for the unemployed, family conflicts, ideological education for the backward, and so forth.

Proceeding from the results achieved in carrying out household and population management, we will gradually resolve newly discovered problems

to promote solidarity among the people; counter criminals; ensure safety for city wards, villages, public organs, and enterprises, bring about a secure life for the people; and meet the interests of society and the people. Such a great, comprehensive task requires the leadership of party committees and administrative organs at all levels, actions by the public security service as the core force, and enthusiastic participation by the people.

II. [Roman two] Some Issues Requiring Attention in Planning Guidance and Implementation

Recently, the ministry has reviewed and clearly pointed to the specific issues requiring attention in planning guidance and implementation.

The operational plan of the Hanoi Public Security Service for the last 2 months of the year partially reflects these points, and I want to raise some additional points.

First, operational guidelines must be specific and include the targets and the dates of completion for every city ward, every village, every township, every district, and every precinct to arrive at the date of basic completion for the entire municipality in 1985 and to continue household and population management in a regular and systematic manner next year. Since household management involves the control of people, it must be kept up to date with reports on changes in the situation of every household and every person. Therefore, we can never say that this work is finished and then stop doing it, nor can we set forth general plans in an administrative and bureaucratic manner.

Second, in guiding the implementation of plans, attention must be focused on key areas.

-- There are key areas of the municipality, key areas of the district, and key areas of the city ward or village.

-- After satisfactorily carrying out household and population management in the key areas to ensure security, we will extend this work to the adjacent areas, thus setting up mutually supporting safe areas in the city ward, district or precinct, and in the entire municipality.

-- After ensuring security and order in the municipality, we will do the same in other provinces. It is necessary to make the capital -- the country's most important area -- the first comprehensively safe area so that this work can be extended to the surrounding provinces. This is the responsibility of the Hanoi Public Security Service as well as of the various general departments, offices, and departments of the ministry, for more than two-thirds of the public offices in Hanoi are under the management of the central government and the various ministries.

Third, along with formulating specific plans and providing concentrated and selective guidance, we must have a numerically sufficient contingent of

street security cadres and village building security agents who have reliable qualifications, who are capable of motivating the masses, and who are well conversant with the measures for household and population management.

It is necessary to deploy enough street security agents in the city proper and townships. Security agents should be deployed in urbanized villages as in the city proper, and village building security agents should be assigned to other villages and collective housing quarters and charged with household and population management there.

The ministry neither allows for a shortage of street and village security agents nor tolerates failure to replace incapable and lazy cadres.

Fourth, under the leadership of party committee echelons, we must pay attention to developing and consolidating mass organizations at the grass-roots level so that we can, through them, educate party cadres and members and the masses in household and population management and, in particular, motivate them to participate in the education and control of various types of political and criminal subjects and in the prevention, discovery, and suppression of crimes.

III. [Roman three] Intensify the Leadership of Party Committee Echelons Over Household and Population Management

1. We must strengthen basic units in an all-round manner so as to generate a combined strength. These units include the party chapter, the people's committee, mass organizations, public security units, self-defense units, and other units at the city ward level. Only by making the city wards firm and strong will we have the basis for building firm and strong precincts and districts and a firm and strong municipality.
2. We must combat negativism. Resolute efforts must be made to eliminate negativism within our ranks and in society. First of all, the party's internal ranks must be clean, firm, and strong, as must be the administration, the army, the public security service, mass organizations, and production and business units.
3. We must promote the people's right to mastery. Revolution is an undertaking of the masses. The key to all successes and achievements is to motivate the masses to support and voluntarily implement the policies of the party and the law of the state.
4. The coordination of activities among the various sectors and mass organizations under the unified leadership of the party committee echelons is essential for all types of work. It reflects the mechanism of leadership by the party, mastery by the people, and management by the state right at the grass-roots level to resolve promptly all issues in accordance with realities at the grass-roots level.

5. Due to the important role of household and population management in the socioeconomic and public security fields, good results will only be possible with the direct leadership and guidance of party committee echelons.

Concerning the party's direct leadership, I, on behalf of the Ministry of the Interior, request that the municipal party committee, party committee echelons, and administrative bodies issue resolutions instructing all levels, especially the grass roots, to continue guiding household and population management.

It is of primary importance that we motivate party members and the masses to participate in household management and, at the same time, consolidate, through household and population management, party chapters and mass organizations so as to promote the revolutionary movement at the grass-roots level.

It is necessary to make every party member and every member of mass organizations deeply realize that household and population management is not the exclusive task of the public security service. By participating in household and population management, members of the party and mass organizations carry out an important task under party leadership with the aim of consolidating the political bases among the people and creating favorable conditions to promote the various revolutionary movements among the people. This task also greatly contributes to consolidating party and mass organizations at the grass-roots level. Therefore, every party member must lead the masses in carrying out household management.

6. A very important point is that party chapters truly make an effort in mass proselytizing work. Proceeding from the results of household and population management, they must employ the combined forces at the grass-roots level to resolve the difficulties facing the livelihood of every household and every person, give assistance to those needing employment, educate the backward and dissatisfied, transform those who have criminal records, help correct spoiled and backward youths and teenagers, step up the struggle against negativism, and so forth. This is a very important goal of household and population management and a difficult task that can only be accomplished with our persistent efforts. Success will be impossible without massive participation by party members and the good masses.

7. Party committee echelons must formulate plans to assess regularly household and population management activities performed by the public security service, especially street and village building security agents, and constantly to foster their quality as party members to enhance their zeal for work and improve their methods of mass proselytizing. This is designed to enable street and village security agents to serve as the core for street and village party chapters to grasp household and population management firmly.

By doing all of these things, we will build our strength in both the short and long terms and be able to advance constantly in our continuous struggle to fulfill successfully the two strategic tasks of building socialism and defending the socialist fatherland. This is aimed at defeating the war of sabotage waged by the Beijing expansionists in collusion with the U.S. imperialists against the revolution in our country and, also, at coping with a large-scale war that the enemy may recklessly launch. This is aimed at generating strength with which to foil all the schemes and acts of saboteurs and reactionary elements in the "which will win" struggle between the two roads and the current struggle between ourselves and the enemy to build a new regime, a new society, a new type of man, and a new social role. In the short term, this serves as a firm basis for us to implement successfully the party Central Committee's eighth plenum resolution; control the market, prices, and money; and punish speculators, smugglers, and the enemy who are resorting to all maneuvers and means to sabotage the implementation of this resolution. This is a revolutionary struggle replete with difficulties, hardships, and complexity; it requires that we strengthen our determination and make great efforts in the process to abolish the system of bureaucratism and subsidization and shift to the system of economic accounting and socialist business.

/12624

CSO: 4209/183

14 January 1986

ECONOMIC PLANNING, TRADE, AND FINANCE**NEWLY-ISSUED DOCUMENTS ON ECONOMIC POLICIES REVIEWED**

Hanoi GIAO DUC LY LUAN in Vietnamese Aug 85 pp 47-51, 55

[Article: "Newly-Promulgated Economic Policies"; passages enclosed in slantlines printed in boldface]

[Text] On 22 June 1985, the CPV Central Committee Secretariat issued Directive No 67-CT/TW on /improving economic management and perfecting the mechanism for signing end product contracts with labor groups and laborers in agricultural cooperatives and production collectives/. The directive has three parts. The first part points to the achievements that have been made and the shortcomings that have been encountered since the day the Secretariat's Directive 100-CT/TW took effect. The directive points out that following the adoption of the 6th Plenum of the CPV Central Committee (4th term) resolution and mostly of its Directive 100-CT/TW, the new production relationships in the countryside have been consolidated and strengthened; the transformation of agriculture in Nam Bo has made good progress; agricultural production has been developed; the living standard of farmers has been stabilized and improved; the delivery and export of grain and other agricultural products have shown considerable increases; and the material and technical conditions have been improved, with scientific and technical progress being quickly applied to production. The adoption of the product contracting mechanism has gradually helped to improve the management system and the process of renewing the content and method of planning at the basic level. However, there still exist important shortcomings in economic management and the application of the product contracting mechanism as performed by our cooperatives. Many cooperatives have so far failed to create a rational production pattern, to switch quickly enough to economic accounting and socialist business and to extend product contracting to all occupations, with work distribution and cooperation remaining irrational and leadership and supervision showing neglect on the part of many localities.

Aimed at improving economic management and perfecting the product contracting mechanism in agricultural cooperatives, the second part states that

it is necessary to totally switch to economic accounting and socialist business and to perfect the mechanism for signing end product contracts with labor groups and laborers, in addition to building districts, strengthening the district level and revising a number of state policies, for the purpose of satisfying these needs: to strongly develop the socialist collective ownership right of cooperatives and cooperative members; to step up the three revolutions; and to use more effectively labor, land, water surface, hills and forests, as well as the existing occupations and material and technical conditions to quickly increase the volume of grain and agricultural products for consumption and export.

Not to cease consolidating and perfecting the socialist production relationships in the countryside in all three aspects -- ownership, management and distribution; to make cooperatives strongly develop their production, with increasing productivity, quality and effectiveness; to smoothly combine three interests; and at the same time to help cooperative members to develop the family-based economy.

To strengthen the material and technical base, to use this base effectively and to strengthen and build districts so as to make them capable of assuming direct leadership and effectively serving the basic-level units. In order to satisfy the above-mentioned needs, it is necessary to achieve the following tasks:

1. To define and build a correct economic structure.
2. To abolish the bureaucratic, subsidized and centralized management mechanism and to really and totally switch to economic accounting and socialist business.
3. To perfect and expand the application of the product contracting mechanism.
4. To closely combine improving economic management and perfecting the product contracting mechanism with strengthening the material and technical base of cooperatives.
5. To consolidate agricultural cooperatives in terms of their organization and to closely combine the activities of production, marketing and credit cooperatives in the countryside.
6. To strengthen and build districts and to make the district level capable of leading and serving the cooperatives, stepping up the three revolutions, improving economic management, perfecting the product contracting mechanism and developing economic production.

For proper implementation of this directive, the third part points to the responsibility and tasks of the Ministry of Agriculture and all sectors and echelons. According to this directive, the Departments of Agriculture and Propaganda and Training of the Central Committee and the Ministry of Agriculture must study and compile anew the programs for teaching management of cooperatives and particularly the product contracting mechanism, in connection with various forms of production and business in different localities, and make an early final review of the agriculture-industry-commerce-credit cooperative model (which also includes export-import business). The Organization Department of the Central Committee is to strengthen the task of building party bases in the countryside and to promote new changes in leadership over production and business among rural party organizations. The party, propaganda and training, and sector schools must supplement their programs of teaching with respect to management of the agricultural economy and open specialized courses in order to help to carry out this directive. (See the entire text of this directive in NHAN DAN of 1 July 1985.)

On 17 June 1985, the CPV Central Committee Secretariat issued Directive No 65-CT/TW on /continuing to build and consolidate the socialist production relationships and to develop the economy based on marine products, agriculture-forestry-salt making and deep-sea fishing/. The directive points out that our coastal region, which includes the sea and the coast, is one of the country's strategic areas in terms of socioeconomic and security-national defense matters and offers great potentials in favor of long-term development of our country and nation. The sea-based economy, in which marine products play an especially important role, has such characteristics as being varied and abundant, having short production cycles and bringing about quick and great results. In addition to its direct economic values, the coastal region also has many capabilities to protect and enrich the soil, to protect the environment and to provide border patrolling and scientific research. In the coastal region, beside the fishery and agricultural occupations, there also are possibilities to develop small industry, handicrafts, industry, communications and transportation, construction, commerce, services, tourism, and so on.

Then the directive points to the fact that much progress and many new factors have appeared in the past years and to the living conditions of the coastal population and the state of security and national defense; at the same time, it mentions the undeveloped strengths of the coastal region, where the productive force has developed too slowly and land, labor and resources have not yet been properly used. It observes that the coastal region has not yet truly become a strong economic, political, cultural and social zone where strong security and defense prevail. Its economy, especially its marine products, have not yet become the leading force that makes important contributions to

the socialist industrialization. The directive also points to the reasons behind the above-mentioned situation: the direction for production and economic structure of the coastal region have not yet been defined in a rational manner; although the new production relationships were created, they have remained heavily formal, simplistic and restrained, with the organization of production being far from smooth; and the policies that were issued have not really encouraged anything.

The directive mentions the needs to be fulfilled by the coastal region in the time to come in building and consolidating the socialist production relationships and developing the economy based on marine products, agriculture-forestry-salt making and various occupations as follows:

- To develop the collective ownership right of working people and to simultaneously carry on the three revolutions, with the scientific and technical revolution being the key one, in order to develop our great potentials in terms of marine products, agriculture, afforestation and building of the new socialist life in the rural areas of the coastal region.
- To set up right in the beginning the pattern for fishery-agriculture-industry, first of all for such industries as processing, storage, transportation and small industrial and handicraft occupations in all production installations and at the district level.
- To develop to a high degree the trend toward joint business, with marine products being the key object, in order to have good use of the labor force in the coastal region. In order to satisfy the above-mentioned needs, the directive says the tasks that have been determined for the coastal region in the time to come are to strongly develop the production of marine products in terms of exploiting, raising, processing, transportation and consumption. To get valuable marine products for export and to supply more and more protein sources for everyday life and animal husbandry, particularly in municipalities, industrial centers, highland provinces and the army. To fully use land to benefit agricultural development, afforestation and salt making, to promote socialist transformation and to build the new production relationships in many appropriate forms and steps and in conformity with the population situation and production needs; to build the material and technical base for the coastal region; to promote happy and wholesome material and cultural living conditions in the coastal villages and towns; to strengthen the guarding of security and national defense; and to build strong districts. The directive mentions the actual policies and measures about combining the economic components and forces doing economic work in the coastal region; organizing joint business and overall combination of fishery-forestry-agriculture and occupations in state-operated and collective installations; and applying the formula of accounting, sharing profits by occupations and contributing to common

welfare funds in the collective production installations dealing with marine products, and also clearly states the responsibilities of different sectors and echelons.

Our party and state have until now repeatedly asserted the important role of small industry and handicrafts and have set forth correct positions and policies aimed at promoting their development. On 26 June 1985, the chairman of the Council of Ministers signed /Directive No 211-CT on strengthening leadership and management in the sector of small industrial and handicraft production/. The directive points to the important role of small industrial and handicraft production, which now accounts for nearly half of the value of the country's industrial production, supplies a large volume of consumer goods, takes care of many repairs, produces many lines of goods for export and provides jobs for millions of people.

In order to strengthen leadership and management in this sector, the directive reminds the unions of small industry and handicrafts cooperatives that they must continue to carry on the functions and tasks as contained in Decree 279-CP of 2 November 1978 of the Council of Ministers and the ministries in charge and the managing ministries, as well as provincial and municipal people's committees, that they must, on the basis of the decree, review their work, draw experience from it and set forth plans and measures to step up production. The unions of small industry and handicrafts cooperatives must reorganize themselves and increase the number of cadres who have specialized knowledges and good qualities. The directive also reminds all management cadres that they must correctly carry out their functions and make timely reports to the Council of Ministers.

In order to implement the party and state policy about renewing the management and business in supplying materials, on 27 June 1985 the Council of Ministers issued /Decree No 190-HDBT on improving the management of materials/. The decree has five chapters.

Chapter one mentions the general principles: the state must maintain centralized and unified management of all technical materials, for they are the special kinds of goods which, as national properties, must be supplied for the right purpose and the right needs so as to help to abolish the bureaucratic and subsidized management mechanism and to totally switch to economic accounting and socialist business. In the supplying of materials, we must reorganize the business network by reducing the intermediary links and cumbersome machinery and organize direct supplying of materials from their sources to where they are used, with the trips involved being kept within rational limits.

Chapter two deals with the management and business in supplying materials in connection with domestic sources of materials, sources of second-rate materials and discarded materials, and various kinds of materials that remain unsold; the management of imported materials; planning for supplying of materials; the procedures for circulation in connection with supplying materials; and transportation, use and making of balance sheets of materials.

Chapter three deals with the economic and financial procedures and building of the material and technical base of the business units supplying materials, with the following subjects: the system of standards and regulations applicable to the materials-supplying business organizations; the responsibility for recalculating expenses of the Central Price Commission; determination of profit margins of business organizations by the Ministry of Finance and charging of one prices.

Chapter four deals with the system of organizing the materials-supplying business and the state management of materials and defines the organization and tasks of different levels -- central, provincial and district -- and of business organizations. Chapter five is about organizing the implementation of the decree.

In order to realistically support the six northern border provinces in developing their strengths and economic potential, to create a stable base for and to gradually improve the standard of living, to serve combat better, to resolve on the spot any logistical matters for the armed forces to the highest degree of endeavor and to gradually reduce the volume of goods to be brought from far places, on 29 March 1985 the chairman of the Council of Ministers issued /Decision No 109-CT on a number of immediate economic and financial policies applicable to six northern border provinces/. The basic point made by the decision is that we must properly apply the investment, capital, materials and labor policies to the economic sectors of six border provinces so as to attain the goals set in the 1985 state plan and the 5-year 1986-1990 plan for each province. Special attention must be paid to developing communications and transportation and commerce in the highlands. The decision mentions the actual policies applicable to the six provinces: About the policy dealing with agricultural tax and commercial and industrial tax, although collection must still proceed in compliance with state regulations, the actual conditions that exist in the provinces will be considered to allow them to get tax exemption or deduction and to pay tax with cash or with farm and forest products in the case of agricultural tax. About commercial and industrial tax, they will get exemption for business single-shipment trips if the latter are organized by state stores or cooperatives to promote planned circulation of good among localities. About the policies dealing with purchases, prices and market management applicable to grain and animal husbandry and to the zones that grow industrial

crops in a concentrated manner and grow and exploit forest products in accordance with state projects and plans, the decision clearly states the policies for the above-mentioned goods, as well as for specific zones in the provinces. Its article 6 states the policy applicable to the army units that have totally switched to doing economic work and the units that do both productive and combat work, and the policy applicable to those troops who have chosen to stay in the army to do economic work at the time of their discharge.

In order to encourage stepping up export to ensure the export-import needs of the national economy, to ensure implementing the system of the state holding monopoly of foreign trade and the central administration holding unified management of foreign trade activities, to ensure carrying out the foreign economic line of the party and state, to ensure unified action on the part of the export-import organizations and to ensure the national interests, on 30 April 1985 the Council of Ministers issued /Decree No 128-HDBT on the promulgation of a regulation of the Ministry of Foreign Trade about the state management of export-import activities and organizations/. The regulation states that all the export-import activities of our country in connection with foreign countries must be placed under the unified state management of the Ministry of Foreign Trade. The document defines the export-import service activities; the substance and scope of management; the power of the Ministry of Foreign Trade in terms of guiding and controlling the implementation of export-import projects and plans; the task of drafting laws, policies and procedures; the organizing work; the training and managing of cadres; and the job of organizing and managing our country's commercial representative organs abroad.

/Decision No 137-HDBT on a number of matters having to do with the management and business mechanism of the Vietnamese sea transportation sector/.

The decision clearly points out the actual modes of operations of the sea transportation sector, the question of capital and profits and the relationships that help the sector to develop quickly in conformity with our country's present conditions and potential capabilities.

In order to satisfy the need for developing tobacco production, to properly ensure satisfying all needs, particularly the export ones, and to ensure unifying the organization and management of the Vietnamese tobacco-producing sector, on 28 March 1985 the Council of Ministers issued /Decree No 108/HDBT on the establishment of a union of tobacco enterprises, and on 5 April 1985 Resolution No 107-HDBT on the unified state management of tobacco production and business/. Decree No 108-HDBT points out that the union is the nationwide business organization and economic and technical management organ of

the tobacco sector being placed under the direct leadership of the Ministry of Food Industry. The Vietnamese Union of Tobacco Enterprises has been established from Joint Tobacco Enterprises I and II and the state-operated locally-managed tobacco enterprises. The decree also states its tasks, authorities and organizational structure. Resolution No 107-HDBT says a decision has been made that the organs concerned draft a uniform program to develop tobacco production for the country as a whole and that the central administration maintain unified management of the manufacture and export-import of cigarettes and take care of such matters as reorganization of production, policy making, and so on so as to encourage growing more tobacco.

In order to step up reorganizing production in conformity with the necessary conditions having to do with energy, materials and raw materials and to ensure surpassing the goal for making the essential products of the national economy and creating favorable conditions for production installations to reach their maximum current output and to obtain good economic results, on 5 April 1985 the Council of Ministers issued /Decree No 105-HDBT on issuing the list of essential products, priority production installations and key capital-construction projects of the national economy/.

The list includes all of the essential products, priority production installations and key capital-construction projects in all sectors of industry, small industry and handicrafts, agriculture, communications and transportation, information and culture, public health, scientific and technical research, and so on.

5598

CSO: 4209/118

AGRICULTURAL MECHANIZATION ON DISTRICT LEVEL DISCUSSED

Hanoi NHAN DAN in Vietnamese 28 Oct 85 p 2

[Economic Forum column by Mai Van Dinh, the Ministry of Agriculture: "Some Experiences in Planning How To Equip with Agricultural Implements and Machines Within the Scope of the District"]

[Text] Planning how to equip with agricultural implements and machines is one of the basic elements in the planning of agricultural production in our country and occupies a position of key importance in the effort to advance agriculture from small-scale, fragmented production to large-scale, socialist production with the aim of raising labor productivity and rapidly increasing the output of products in all areas of crop and livestock production. This is a pressing requirement in building the district economic structure along lines that combine agriculture and industry.

On the basis of what has been learned during the years spent guiding the effort to build the pilot project districts of the central level and those of each province and municipality, we would like to present some initial experiences to assist localities in supplementing and refining their current planning for the building of their districts.

First, in planning the mechanization and electrification of agriculture, importance must be attached to planning the use of hand implements as well as the use of improved and semi-mechanized implements. Many districts have long given light attention to this matter. To advance from an agriculture of small-scale production to a modern agriculture, agriculture must be industrialized. However, we do not have modern industry. Therefore, in the immediate future, mechanization must be carried out gradually, machines must be combined with hand implements and semi-mechanized implements and there must be close coordination among machinery, draft buffalo and cattle and manual labor under production standards. Therefore, in planning how to equip, both in the immediate future and over the long range, attention must be given to the matter of implements within the scope of the district. A network for the manufacture of hand implements, improved implements and semi-mechanized implements must be planned. It is necessary to establish machine shops, machine cooperatives and blacksmith, carpentry and machine sections within agricultural cooperatives and production collectives to repair and produce an adequate supply of implements for laborers. Implements must be brought within

the scope of planning and the plan for equipping with implements must be closely tied to production plans in all elements of the crop production, livestock production, processing, capital construction and other sectors.

Secondly, the specifics involved in planning how to equip with technology, how to build material-technical bases for a district in keeping with the requirements of an agro-industrial structure are very broad in what they encompass and involve many sectors: agriculture, the mechanical engineering sector, the power sector, the water conservancy sector, the communications sector and the capital construction sector. The planning of implements and machinery for agriculture must also be balanced and well coordinated in every respect among the various sectors and jobs and include ordinary implements, improved implements, semi-mechanized implements, working machines, machines for repair work, simple manufacturing machines, large machines, small machines, movable machines, stationary machines and the agricultural power network supporting both production and daily needs.

Thirdly, the planning of implements and machines for agriculture can only be carried out on the basis of zoning, the master plan for agricultural production, forestry and fishing and the planning of each sector within the district. The planning for equipping with technology must be based on production guidelines, on the allocation of crops and livestock, on closely tying production to processing and on the requirements and capabilities of production collectives and agricultural cooperatives and must be consistent with the agro-industrial economy of the district. This planning must be closely linked to the economic-cultural plans of the district, to the specific stages during each period of building the district's material-technical bases.

In the experience of the districts that have completed this work, there are two approaches that can be taken to planning how to equip with implements and machines. The first is to carry out this planning at the same time as developing the master plan of the district and the planning of its various sectors. The second approach is to not carry out the planning of how to equip agriculture with implements and machines until after the planning of production and the planning of the sectors have been completed. Experience has also shown that formulating production planning, sector planning and enterprise planning at the same time and mobilizing the various sectors to work together in a way that is well coordinated make it possible to avoid planning each sector separately or planning one sector before another without adhering to a common guideline or objective, as a result of which planning lacks both an economic and a scientific basis.

The sectors on the central, provincial and municipal levels have the task of formulating economic-technical standards and quotas, developing methods of payment and instructing the districts in how to carry out planning. At the same time, they must inform the districts at an early date of the draft of sector planning and the material-technical bases they intend to build within the district so that they can be included in the district's master plan and serve as the basis for planning how to equip with technology.

Fourthly, planning must encompass both the immediate future and the long-range future. It takes a long time, from 10 to 15 years, to equip a complete agro-

industrial district with implements and machines. Under the 1986-1990 plan, importance must still be attached to equipping with hand implements, improved implements and draft power.

The types of implements and machines with which the district equips itself and the extent to which it equips itself vary depending upon the requirements involved in the district's task of developing agricultural production and range from the rudimentary to the modern. In the immediate future, priority must be given to equipping key areas and providing the equipment needed to meet grain and food production targets and process agricultural, forest and marine products for exportation. In planning how to equip with implements and machines, it is necessary to calculate economic returns, specifically: the amount of labor displaced, in order to establish a new division of labor and develop the trades; the additional land made available as a result of clearing land and practicing multicropping; the shift away from raising draft buffalo and cattle to raising buffalo and cattle for breeding, for meat and milk, for fertilizer and transportation; increases in crop yields and total agricultural output; the amount of time needed to reclaim capital and the returns from capital.

Fifthly, in order for it to be possible to implement equipment planning in the current situation, planning must, above everything else, be based on the existing capabilities of the district. It is necessary to repair, restore and make full use of existing machinery and equipment within the state-operated, collective and private sectors and the new machines supplied under yearly plans. Encouraging each district and basic production unit to export products outside its obligation to the state in order to earn foreign currency with which to import machinery, equipment and spare parts is the best, the most effective and the most practical approach to take to quickly increase the pace at which the district equips itself and builds material-technical bases.

Sixthly, planning how to equip agriculture with implements and machines under current conditions is something new. Because many districts have yet to carry out this planning, little experience has been gained and we must gain experience while working, must correctly adjust this planning to the realities and requirements of the development of the district's production during each period.

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CSO: 4209/144

ECONOMIC PLANNING, TRADE, AND FINANCE

HAIPHONG ENACTS SPECIAL TAX ON PRIVATE MERCHANTS

Hanoi NHAN DAN in Vietnamese 28 Oct 85 pp 1, 4

[Article: "Haiphong Collects Special Tax from Merchants Who Arbitrarily Raise Prices"]

[Text] Since mid-September, taking advantage of price changes on the market, many private merchants in Haiphong, especially at a number of large markets, have raised the prices of their products in violation of regulations. These wrongful actions have been taken not only with the purpose of raking in large profits, but also disrupting the market and creating a fear of shortages in order to make speculation possible.

The Haiphong Municipal People's Committee recently decided to collect a special tax from private merchants who fail to observe business regulations. As a result, tax revenues were three to five times higher in September 1985 than in August. The responsible agencies have set the tax rate for each business on the basis of actual business revenues and information provided by the masses.

Many units have performed this work with good results: the Sat Market exceeded its tax revenue norm by 8.5 percent and collected 3.2 times more in taxes in September than in August. Kien An District, as a result of collecting this special tax, has exceeded its tax revenue norm for the entire year by 1.3 percent.

Together with collecting this special tax, the city has conducted administrative inspections of 39 businesses that were hoarding illegal goods. Practically all these businesses were found to have in their possession goods that are generally obtained through collusion with state commerce and marketing cooperative personnel. The market management team of the Cau Dat Subward caught Tran Thi Hoa, a clerk at the Tran Nhat Duat sales counter, as she was attempting to sneak goods to a private merchant to make a profit.

The sales counter at 148 Cau Dat Street sold one person 8 quintals of sugar at one time.

A number of sales personnel arbitrarily raised prices in violation of regulations, such as Nguyen Thi H., a sales clerk at a marketing cooperative

store, who sold 54 thermos bottles, each at a price 5 dong higher than the stipulated price (new money). Sales personnel at the Nga Sau industrial goods counter raised the prices of many goods in order to make some money for themselves.

The above cases were dealt with in harsh ways, ranging from dismissal from one's job to a warning and being forced to pay to the state the difference between stipulated prices and the actual prices charged. However, the inspection and supervision of procurements and sales by commerce personnel are not regular or continuous. Around state stores and marketing cooperatives, we still see a good many black marketers who buy up goods whenever they are available.

7809

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NHAN DAN EDITORIAL ON DRAFT POWER FOR AGRICULTURE

Hanoi NHAN DAN in Vietnamese 28 Oct 85 pp 1, 4

[Editorial: "Providing Increased Draft Power for the Winter-Spring Season"]

[Text] Draft power is the most important factor in the preparation of fields. It consists of the power provided by buffalo and cattle and the power provided by tractors. During the past several years, the number of tractors has increased slightly but many tractors are old and their capacity is not high. As a result, only about 30 percent of the land under cultivation is prepared by tractors, the rest is plowed by buffalo and cattle or hoed by humans. As a result of the implementation of the new economic policies of the party and state, the number of buffalo and cattle has increased rather rapidly within the household sector and even within the collective sector. The buffalo herd has increased in size at the rate of 2 percent and the cattle herd at the rate of 6 to 11 percent per year. Fields have, generally speaking, been prepared on schedule and correctly, thus making an important contribution to the success achieved during the last several consecutive seasons. However, in general, the current supply of buffalo and cattle to provide draft power for the preparation of fields is still rather tight, especially during winter-spring seasons, because many buffalo and cattle die as a result of cold weather, the outbreak and spread of livestock diseases and many difficulties encountered with providing feed for livestock production. The development of winter-spring production this year has made draft power an even more important requirement because the recent series of floods not only caused much heavy damage to agricultural material-technical bases and killed many buffalo and cattle, but also created difficulties with sources of feed for buffalo and cattle during the upcoming season. The supply of buffalo and cattle for draft power has become very tight in many localities, especially in the provinces of the Red River Delta.

To resolve the problem of draft power for the preparation of fields during the winter-spring season, it is first necessary to give special attention to developing the production of buffalo and cattle, especially the draft buffalo and cattle herds, in terms of both quantity and quality. This demands the well coordinated implementation of organizational, management and technical measures and the adoption of correct policies. The guideline for increasing the availability of draft power is for agricultural areas to accelerate the production of buffalo and cattle under suitable requirements and forms of

organization. Those places that have many advantages in their favor, such as the mountains, the midlands, Zone 4, central coastal areas and so forth, must promptly supply many buffalo and cattle to the two key rice growing regions and give priority to those localities stricken by the floods that are experiencing a serious shortage of draft power. The provinces of the Red River Delta and the Mekong Delta must develop their buffalo and cattle herds along the lines of combining the production of draft power with breeding in order to reduce the number of buffalo and cattle that must be purchased elsewhere and eventually achieve local self-sufficiency in draft power.

Localities must rapidly increase the size of their draft buffalo and cattle herds in all three sectors: the state-operated, collective and household sectors. Special importance must be attached to the buffalo and cattle herds of collectives that contract with laborers to raise livestock and to encouraging families to quickly increase the size of their buffalo and cattle herds in order to provide supplemental draft power. At the same time, appropriate regulations and policies must be adopted concerning laborers and cooperative member families who raise buffalo and cattle well with aim of prolonging their use. Basic units must apply the experience of product contracts within the crop production sector and must expand and refine the buffalo and cattle production contracts of collectives with households. Buffalo and cattle of the collective should not be turned over to groups and households in a haphazard manner that results in livestock being worked too hard. Contracts for raising buffalo and cattle should be applied in a manner well suited to the characteristics of each area and place. However, regardless of which method of contracting is employed, it must protect and develop buffalo and cattle herds, gradually improve their quality in order to make additional draft power available, make rational and efficient use of buffalo and cattle herds and closely tie the responsibility and interests of livestock producers and tillers to the results of production. During the busy period of the season, collectives must not require that families provide for their own draft power but should create every possible favorable condition for families that are short of help, for the families of war dead, wounded veterans, troops and so forth... and insure that fields are prepared in exact accordance with technical standards.

Before beginning the preparation of fields for the winter-spring season, localities should balance the supply of draft buffalo and cattle on the basis of the amount of area to be put under cultivation. Shortages must be promptly alleviated by purchasing additional buffalo and cattle or redistributing buffalo and cattle from places where there is a surplus supply to places where there is a shortage. It is necessary to immediately eliminate the practice of "banning markets and closing rivers to traffic," which impedes the circulation of draft buffalo and cattle; the practice of prohibiting persons who have buffalo and cattle from selling them and requiring persons who want to buy buffalo and cattle to comply with many bothersome procedures; the practice of taxing a buffalo many times as it is shipped from one place to another... All of these incorrect practices must be quickly eliminated in order to create favorable conditions for the redistribution of draft power among areas and between places where there is a surplus supply and places where there is a shortage.

Buffalo and cattle are used to prepare fields for the winter-spring season at the height of the cold winter weather. Buffalo and cattle must be well fed, worked in moderation, protected from disease and provided with prompt treatment of diseases so that they remain in good health, possess the necessary stamina and do not collapse. The problem of feed for buffalo and cattle must be solved by tightly managing 10th month rice straw supplied under cooperative member contract quotas, making full use of fodder plants and allocating a portion of the supply of grain to buffalo and cattle to supplement their feed following strenuous sessions of plowing. Buffalo and cattle must be classified so that an appropriate regimen can be established for their care and work. The quality of buffalo and cattle herds must gradually be improved with the aim of meeting the need for draft power for production better.

The experience of many years has shown that there are generally heavy rains at the start of the winter-spring season and drought and cold weather in the middle and at the end of the season; therefore, it is difficult for buffalo and cattle to work and they must be effectively supported by tractors. The agricultural and related sectors, together with the localities, must take positive measures to put all existing tractors into operation and use them very efficiently. Old, broken down tractors must be immediately repaired with the aim of restoring them to operating condition. A full supply of fuel and parts, including spare parts, must be prepared to insure that tractors are in regular operation. The "link the tractor to the cooperative" approach must be expanded and contracts with economic-technical quotas must be employed with a view toward closely tying the responsibility and interests of tractor operators to the results of the cooperative's production. At the same time, tractor operators must be trained for cooperatives in order to provide more technically skilled labor to basic units and increase the availability of draft power for production.

Every area and locality must take advantage of existing favorable conditions, overcome the difficulties caused by natural disasters, strongly develop buffalo and cattle production and manage and utilize existing tractors in the best possible manner. This is the important and pressing task that all levels and sectors have in insuring that winter-spring production is carried out on schedule, that all land is transplanted and that intensive cultivation is practiced more widely, thereby helping to implement the grain and food production plans for this year and the years ahead.

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AGRICULTURE

10-DAY AGRICULTURAL PRODUCTION

OW210955 Hanoi Doemstic Service in Vietnamese 1100 GMT 20 Dec 85

[Text] Friends, following are some noteworthy facts about agricultural production in the past 10 days.

Last week, the southern provinces and municipalities devoted their work forces to harvesting early and main 10th-month rice crops. The harvest pace was faster than in the previous week. So far, according to General Statistics Department reports, the southern provinces and municipalities have completed harvesting more than 30 percent of the cultivated rice. Song Be province, with a rapid pace, has harvested more than 50 percent of the cultivated area. The provinces are rapidly harvesting the ripening main 10th-month rice while intensifying drought and insect control to protect the late 10th-month rice.

Last week, the northern provinces devoted their work forces to soil preparation and protection of the already planted winter-spring vegetable and secondary crops. So far, virtually all the provinces and municipalities have basically completed seed sowing for the fifth month-spring crop. The rice seedlings are developing well. Owing to the current cold spell, leaves of rice seedlings sown after 10 December are turning yellow. Localities should pay attention to tending and protecting the rice seedlings so they will not perish in cold weather.

So far, according to the General Statistics Department, the province and municipalities countrywide have finished plowing over 1 million hectares for the winter-spring crop. In the northern provinces and municipalities, the soil preparation pace was slower than in the corresponding period last year. The main reason, the Agricultural Ministry says, is there were fewer cooperative contracts for mechanized soil preparation and the mechanized soil preparation ratio was very low, less than 10 percent.

Along with harvesting 10th-month rice, the southern provinces and municipalities are rapidly shifting to cultivating the winter-spring rice. So far they have completed cultivation of 330,000 hectares, or just a little over 40 percent of the plan norm. The best period for growing the winter-spring rice in the south extends to the end of December only.

Therefore, in the last 10 days of the month, the provinces should devote their work forces to rapidly and neatly cultivating winter-spring rice, with the largest area possible grown in the best growing period. So far the southern provinces with the largest cultivated areas are Long An, Tien Giang, Cuu Long, Hau Giang, and Quang Nam-Danang.

The eastern Nam Bo provinces, with a slow cultivation pace, have completed cultivation of about 10 percent of the plan norms.

On cultivation of the vegetable, industrial, and secondary crops, last week, the north grew over 10,000 hectares of secondary crops, over 4,000 hectares of vegetables and legumes, and over 500 hectare of industrial crops for the winter-spring period. In the north, the winter soybeans and corn are being affected by drought. Early potato crops are being harvested in some areas. All in all, the already planted winter crops are developing well. But in some areas, late blight is ravaging potatoes and tomatoes. Cooperatives should conduct controls and protect the affected plants in time to contain the ravages.

In the south, last week's cultivation pace for the vegetable, secondary, and industrial crops was still slow. Compared with the corresponding period last year, the already planted vegetable and secondary crop area showed a decrease of 1,000 hectares. This is the main secondary crop for the south. Therefore, all localities should strive to accelerate the cultivation pace in order to achieve a larger cultivated area than last year.

Dear friends: According to a report by the general Department of Hydrology and Metereology, next week the weather will remain cold, with temperatures dipping to 15 degrees centigrades on some days. Therefore, the northern provinces and municipalities should adopt measures to protect the already planted spring seedlings from cold weather and devote their work forces to soil preparation while securing more fertilizers and dredging canals in order to create more favorable conditions for cultivating the fifth month-spring rice within the growing period. In a number of low-lying areas where the fifth-month rice will be planted over a long period, weather conditions should be closely monitored. Cultivation must stop when the weather turns cold. In addition, care must be taken to tend, protect, and rapidly harvest the already planted winter crops and to develop rapidly the planting of the spring vegetable, secondary, and industrial crops and protect the buffalo and cattle from cold weather in a timely way.

The southern provinces should continue to carry out insect control to protect the 10th-month rice and rapidly harvest the ripening 10th-month rice while completing cultivation of the winter-spring rice as planned.

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AGRICULTURE

VEGETATION PROTECTION DEPARTMENT ON CROP PESTS

OW222353 Hanoi Domestic Service in Vietnamese 1100 GMT 21 Dec 85

[Text] According to the Vegetation Protection Department's notice, stem borers in age group 1-2 are currently ravaging the fields planted with early fifth month-spring rice seedlings in the northern provinces. The damage density is greater in Zone 4 where the insect infestation rate reaches 10-12 insects per square meter. The density of stem borers in age group 5 affecting the roots of 10th-month rice stalks is fairly high in many places.

Mature rice leaf beetles are ravaging fifth-month rice seedlings. In particular, the infestation rate in some places in Thai Binh Province is up to 1,000 insects per square meter.

Rice blast has appeared and affected 1 to 5 percent of the acreage of fifth-month rice seedlings in the Zone 4 provinces.

Stem borers are ravaging more than 5,000 hectares of winter-spring rice and rice skippers, more than 20,000 hectares of the tillering early winter rice in the Makong Delta provinces.

Rice gall flies are ravaging winter-spring rice seedlings in the Former Zone 5 provinces. Potato and tomato crops are being affected by phytophthora infestans, which may develop vigorously in the future. Oriental leaf diseases and lima bean pod borers are continuing to ravage soybeans. Other pests will also further affect crops in the northern provinces.

Buoy-shaped borers [saau phao], leaf folders, and stem borers will continue ravaging the winter-spring rice crops in the southern provinces.

Localities should spray insecticides on potatoes, tomatoes, and soybeans to eliminate phytophthora infestans. The northern provinces should continue to eradicate stem border on rice seedlings.

The Mekong Delta provinces should eradicate harmful insects, especially buoy-shaped borders, leaf folders, and brown flies on the winter-spring rice crop.

The provinces in Zone 5 and Former Zone 4 should eradicate rice gall flies on rice seedlings while detecting and exterminating rice blast on the winter-spring rice seedlings.